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VIDHANA SOUDHA

BANGALORE

REPORT OF THE COMMITTEE

Constituted in

G.O. No. P.W. 2771-77, DATED 2ND JULY 1956

December 1956

Volume II— { Part A—Evidences
Part B—Documents produced by witnesses

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VOLUME II

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PART A

Evidences

REPORT
OF THE
VIDHANA SOUDHA ENQUIRY COMMITTEE
VOLUME II
PART A—EVIDENCE

THURSDAY—18TH OCTOBER 1956.

Witness No. 1.

SHRI M. H. MARI GOWDA, *Superintendent, Government Gardens, Bangalore, states* :—

I am garden Superintendent since December 1951. I submitted an estimate for the establishment for the layout and maintenance of the Vidhana Soudha Garden. That estimate was for Rs. 53,946 as the recurring charges per year.* This includes the permanent staff and temporary labour required for the layout and maintenance. An additional provision for temporary labour is made in the estimate for Rs. 1,04,000 for layout of the garden which was sent to Government in the letter dated 9th March 1956.

2. The boundary of the garden for the Vidhana Soudha which my department proposes to layout are :—Vidhana Veedhi on the eastern side, on the southern side the Residency Park Road up to Ringwood Circle, on the northern side the Cubbon Road from Ringwood Circle to the new circle to the rear of the Post Office. This area includes the Residency and its garden. There is no boundary in the layout between the Residency and its garden and the Vidhana Soudha. The Residency garden will get merged in the Vidhana Soudha garden. The portion between the Old Public Offices and the Vidhana Veedhi is also included in the Vidhana Soudha garden. Ringwood Circle is to the north-west of the Vidhana Soudha.

3. The total estimate for the layout of the garden is Rs. 5,75,000, as per details supplied by me just now.† The second item of Rs. 50,000 refers to the provision for distribution main mentioned in my letter dated 28th August 1956 (para 2).

4. In my letter dated 28th August 1956, I have mentioned a sum of Rs. 2,60,000 as the provision for construction of an ornamental fountain for which no detailed estimate has been prepared. Subsequently, I received an estimate from the Special Engineer for the work actually done with regard to the layout of the garden. That estimate is for Rs. 21,856. I have therefore provided Rs. 22,000 under this head and reduced the figure of Rs. 2,60,000 by Rs. 40,000.

5. The only item of work to be executed by my department is the estimate of Rs. 1,04,000. The other works are to be executed by the Vidhana Soudha Division. The detailed estimate for items (1), was not sent to me for countersignature. The detailed estimates for item (2) and item (5) have now been received for countersignature. The latter work has already been executed. No. 2 is not yet begun. As regards item No. (3), I have sent a proposal to Government for sanction. This tractor will be used not only in connection with the Vidhana Soudha garden but other gardens of the Garden Department. This is a non-recurring expenditure for maintenance of the gardens under the Garden Department.

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* Document No. 1, page 91.
† Document No. 2, page 92.

Witness No. 1.

6. There is no provision for the Vidhana Soudha nursery in the estimate for layout prepared by me, nor have we mentioned it separately in the comprehensive estimate of Rs. 5.75 lakhs. The maintenance of the nursery is included in the recurring estimate of Rs. 53,946 already referred to.

7. A separate nursery for the Vidhana Soudha is necessary for efficient management of the garden. The nursery at Lalbagh or at Cubbon Park would not be sufficient for this garden for want of space and particular attention for the garden of Vidhana Soudha.

8. The water supply from the Sampangi tank borewells is meant for the entire Cubbon Park garden as well.

9. I consider that it is not practicable to combine into one unit the Cubbon Park, Old Public Offices, Residency and the Vidhana Soudha Gardens for purposes of reducing establishment charges.

10. There is no non-recurring expenditure provided for the area of the Residency.

11. The nursery cistern has been completed by the Vidhana Soudha Division.

12. For the garden of the Vidhana Soudha, provision has been made for non-recurring charges under parks and minor gardens (page 79 of the Budget).

Further.—The fountains provided in the quadrangles can be postponed, but not the fountains provided outside the building. I cannot give even approximately the probable cost for the fountains in the quadrangles.

THURSDAY—18TH OCTOBER 1956.

Witness No. 2.

SHRI M. MUNIAPPA, *Special Engineer, Vidhana Soudha Division, states* :—

I am in charge of the Vidhana Soudha Division since March 1953. At that time I was an Executive Engineer. I became Superintending Engineer from about March 1954. I am a Mechanical Engineer. I was in charge of Chitaldrug and Kolar Divisions which included roads, buildings, bridges and irrigation works.

2. The alignment of the building had been done and the excavation of the work had just started when I took over charge. The detailed estimates up to first floor of the building proper were already ready when I took over charge. These detailed estimates were made at the rates of the Bangalore Buildings Division. Up to the foundation, the work executed was well within the rates in the detailed estimates above referred to. This work was commenced according to the directions issued to the Chief Engineer by the Secretary, Public Works Department.

3. Detailed designs and estimates were prepared for the foundation and approved by the Superintending Engineer. This approval was not in writing. I was not working in the Vidhana Soudha Division before I became a Special Engineer here. These detailed designs and estimates were not approved before the work was commenced. This approval was given about a couple of months after I took charge. I submitted this estimate to the Superintending Engineer. There is no record of the submission of these estimates, nor is there any record of the approval of the Superintending Engineer. I have attested that estimate.

Q.—Can you produce that estimate ?

A.—I will search the records and produce it.

4. The Vidhana Soudha Division was formed in September 1952. Mr. G. Krishnaswamy, Executive Engineer, Buildings Division, was in additional charge of this work. When I took over charge, there were two Assistant Engineers, one Accounts Superintendent, and about half a dozen clerks. The Accounts Superintendent referred to by me was the Accounts Superintendent of the Buildings Division who was doing this work in addition. A whole-time Accounts Superintendent took charge about a couple of months later. At the time I took over charge, there were three Supervisors. At the time I took over charge, all the plans and elevations were approved by Government. Mr. Das, Assistant Engineer, was then preparing detailed estimates.

5. In a large work, estimates are prepared in the first instance by stages. This is not the practice in the Department, but this was done in this particular case. This work was commenced without a duly sanctioned estimate. The letter of the Secretary above referred to is dated 28th July 1952. This letter authorises the Executive Engineer to commence the work without a duly sanctioned estimate. For this statement I rely on the last paragraph which runs thus :

> "I am directed to request you kindly to cause necessary action being taken as per above instructions and to furnish a report in the matter. The matter is very urgent and important."

I rely on instructions Nos. (3) and (4) to support my statement that this letter authorized the Executive Engineer to start work without a duly sanctioned estimate. Order to execute work departmentally does not empower the person concerned to commence work

without a duly sanctioned estimate. Instruction No. (3) does not also authorize the officer to commence the work without a duly sanctioned estimate.

Q.—What do you find in this letter which authorized the officer concerned to commence the work without a duly sanctioned estimate ?

A.—Instruction No. 3 in the letter.

Rule 27 of the Public Works Account Code is not strictly observed in practice. Although the Chief Engineer has no power to waive the operation of this rule, he does so in practice in suitable cases. I will refer to the record and say whether the Chief Engineer waived rule 27 in this case.

6. When I took over charge, one Assistant Engineer was put in charge of preparing detailed estimates. He was assisted by two Supervisors.

7. The Accounts Superintendent assisted by about five or six clerks was in charge of the Accounts Section. I supervised this work periodically. The periodical inspection was half-yearly and annually. There are certain rules in the Accounts Code for periodical inspections, which I could not strictly follow due to pressure of work on the executive side. I have not prepared any reports of my inspections of the Accounts Section. I did not report to the Chief Engineer that it was not possible for me to inspect the Accounts Section on account of other duties. In or about June 1956 for the first time I asked the Chief Engineer for a gazetted assistant of the Accounts Department to bring accounts up-to-date.

8. Since about March 1954 the accounts were not being regularly posted. Since I thought that I would be able to manage with the Accounts Superintendent and the arrears staff sanctioned by the Government, I did not move for a gazetted assistant for two years. My attention is drawn to para 658 of the Accounts Code.

Q.—What have you done to carry out your responsibility that the accounts were regularly posted from day to day ?

A.—I discharged this responsibility by telling the Accounts Superintendent to keep the books regularly posted.

9. *I was never in charge of any work which was executed departmentally. After I took charge I did not study the Accounts Code and the requirements of a proper maintenance of the accounts in the Division. I relied solely on my Accounts Superintendent.* For execution of the work I had formed sub-divisions. To begin with there were two, now there are six. Two sub-divisions were sanctioned when the establishment was sanctioned on 24th September 1952. If sub-divisions are formed, accounts have to be maintained in the sub-divisions. The accounts were not entrusted to sub-divisional officers because they were overworked on the executive side. I considered the maintenance of the accounts in the Division as the most practical way. For the first year I considered one Accounts Superintendent, one Cashier and two or three Checking Clerks as adequate establishment for the Accounts Section.

RESUMED ON SATURDAY—THE 20TH OCTOBER 1956.

10. The deposition sheets of evidence recorded on 18th October 1956 were handed over to the witness and he was requested to note on a separate paper any inaccuracies in recording the evidence. But he has made various corrections and remarks in pencil on those sheets. These remarks and corrections will be ignored and the deposition

sheets will be retyped. The sheets with the pencil writings of the witness will be kept on record.

11. The witness is further examined.

12. I took over charge of the Vidhana Soudha Division from Mr. G. Krishnaswamy, Executive Engineer, Buildings Division, Bangalore. I do not recollect if a memo on works was handed over to me by him. I will ascertain from the records and make a statement, and furnish its copy, if any. Mr. Das and Mr. Mukundan were in charge of preparing detailed estimates in accordance with the plans approved by Government. Though the plans were approved by Government, the seal of the Government approving the plans is not on the plans. I consider those plans as formally approved by Government when the Government sanctioned the Rs. 50-lakh estimate. There is a written order of the Government to prepare detailed estimates in accordance with these plans.

13. Mr. Das and Mr. Mukundan prepared detailed estimates amounting to Rs. 80 lakhs. The report accompanying these estimates was signed by me. I do not remember whether it was forwarded to higher authorities. Some higher authority asked me to reduce the estimates so as not to exceed Rs. 50 lakhs. I submitted a reduced estimate of Rs. 50 lakhs. It was about two or three months after I had prepared the Rs. 80-lakh estimate.

14. I do not remember to have consulted the Government Architect when I reduced the estimate from Rs. 80 lakhs to Rs. 50 lakhs. The service items to the extent of about Rs. 15 lakhs were cut off. They were essential services like sanitary fittings, water supply and electrical fittings including fans and the electrical lifts.

15. The notification calling for tenders for this work is dated 29th August 1953. This is as regards certain items of the estimate for the building proper. The detailed estimates must have been ready in my office when this notification was drafted by me. That detailed estimate was for the items stated in the notification and for further items it was under preparation. This notification was issued not with a view to give any part of the work on contract, but with a view to ascertain the market rates to enable me to determine the working rates, for the specifications noted in the notification. At that time it was not contemplated that the specifications for execution should be different from those given in the notification. We did not prepare a schedule of rates on the basis of these tendered rates. I do not remember whether the rates given in the modified Rs. 50-lakh estimate are the lowest tendered rates. I do not remember how the rates given in the Rs. 50-lakh estimate were arrived at. The basis for rates for ordinary work in both the Rs. 80-lakh and Rs. 50-lakh estimates were the current schedule rates of the Buildings Division, Bangalore. As regards the special items of work, it was stated in the report accompanying both the estimates that the details would be worked out during execution. The scheduled rates of the Buildings Division, Bangalore were for the contractors. They include the contractors' profit of about 10 per cent. *Because the estimate had to be reduced to Rs. 50 lakhs, we must find out some means to reduce it and the only means that I found was by reducing rates. We did not resort to other method of reducing portions of the Building.* In a work by a Contractor the supervision charges of the Department are very low, while in the case of departmental work they are very high. The difference varies from 3 per cent to 7½ per cent depending on the quality of each work. There could be at best a saving of 5 to 6 per cent by departmental working in the scheduled items.

Q.—Have you reduced these rates in the second estimate to this extent ?

A.—I will verify and say.

(A copy of the comparative statement is supplied to the witness).

Witness No. 2.

RESUMED ON MONDAY—22ND OCTOBER 1956.

16. There is no detailed estimate to which I made reference in paragraphs 2 and 3 of my deposition. No memo on works was handed over to me. (referred to in para 12 of my deposition).

17. I could not find any order of the Chief Engineer waiving para 27 of the Public Works Accounts Code. I did not send any rough estimate as required by para 29 of the Public Works Accounts Code.

18. In the original approved plans the basement floor is included.

19. During the year 1953-54, six sub-divisions were sanctioned in all. During that year, four sub-divisions were functioning for the Vidhana Soudha and one Sub-division was functioning for the Accountant-General's Office building. Regular Sub-divisions as contemplated by the Code were not formed.

Q.—Why was the Government order which required you to form Sub-divisions, presumably according to Codal rules, not carried out ?

A.—As the full staff for the Accountant-General's Office building was sanctioned, a full-fledged Sub-division was formed.. As the staff sanctioned for the Vidhana Soudha Works was inadequate, I did not form Sub-divisions according to Codal rules.

Q.—Did you represent this matter to Government ?

A.—I will look into the records and make a statement.

20. I did not ask for an Executive Engineer for the Vidhana Soudha Division when I was promoted as Superintending Engineer. The reason was that the Government order contemplated a Superintending Engineer to be in charge of this work. After this, when a question arose as regards my powers, the Chief Engineer informed me that my powers were not higher than those of an Executive Engineer in charge of a Division.

21. After I became Superintending Engineer, I was submitting all my proposals to the Chief Engineer with a copy to Government. Copies were sent to Government only in cases where sanctions of Government were urgently required. Whenever I used to get a reference direct from Government, I used to send reply direct to Government with a copy to the Chief Engineer. Although this was against the rules, I did so in some cases because of urgency.

22. I was placed directly under the Chief Engineer, Mysore, and he was supervising my work.

23. In this particular case as I was in charge of the Vidhana Soudha, the remarks of the Public Accounts Committee were brought to my notice. I know that the Public Accounts Committee reviews the audit reports and accounts of the Public Works Department as placed before them by the Accountant-General. I have not read the reports of the Public Accounts Committee at any time.

24. Although the Chief Minister had given written instructions for inclusion of the third floor, the estimate for the third floor was not included in the Rs. 50 lakhs estimate as the designs were not finalised. We were examining whether the third floor could be properly included. We were examining the question whether the foundation could bear that load. I did not make any reference in the report accompanying Rs. 50 lakhs estimate about the third floor. I do not recollect if I made any reference in the covering letter.

25. After I took over charge, I did not draw up a programme of works for completing different items of the work. For the first time in the early part of 1956, I had drawn up a programme of work. This was not communicated to the Chief Engineer. In the month of March 1953 I had before me the estimated quantities

of materials required for this project. There was no blueprint of all the structures when I took over charge. There was no special staff to work out the designs. I did not ask for such staff. All the designs were prepared under my guidance. Except for the Main Dome, dining hall and front and rear foyars, the R.C.C. designs are common to all the three wings.

26. I had approved of those designs before execution. The approved designs are signed by me and they are in my office. In the approved designs, there are no changes in the designs submitted to me, because I was consulted by my assistants prior to submission of designs to me. I will furnish a set of those designs.

27. After I took over charge, I did examine the question whether the work could be executed with profit departmentally or by calling for tenders. My conclusion was that it was desirable to execute the work departmentally. I came to the conclusion that there would be saving in departmental execution of the work about 10 per cent which was the Contractors' margin of profit. The second consideration that weighed with me was that plans and designs not having been finalised, there would be endless trouble with contractors if the work was given on contract. In March or April 1953 when I was examining this question, the plans were final and approved by Government. The structural details and designs were not worked out. It was necessary to have a designs Sub-division to prepare these designs consisting of one Assistant Engineer, four Supervisors and three Clerks. As an Executive Engineer I did not consider it necessary to have these designs prepared before ordering materials or drawing a programme of works. Since the work was ordered to be executed departmentally, it was not necessary to have the designs and programme of works ready before executing the work and consequently I did not move the Government to form a designs sub-division. I thought that I would get the designs prepared as and when it may be necessary during the execution of the work.

28. *In deciding on departmental execution, saving of money is a secondary consideration. The main consideration is avoidance of trouble with the contractors in settling their claims.*

29. Tenders were called on 29th August 1953 by a notification of that date. The object in calling for these tenders was to ascertain the market rates, with a view to give the work on piece-work system. There was no intention to give the work on contract. The idea was to give the work to different contractors for different items. The special work to be done is not provided in the notification. The tenders were invited for the ordinary items of work. This tender notification creates an impression in the mind of the tenderer that if his rates are acceptable, he will get the work. All the while, the intention in issuing this tender was not to give the work on contract. Adoption of this tender notification form was not correct because we had no intention to give the work on contract. This notification was issued with the prior approval of the Superintending Engineer. I will verify and say whether the approval was in writing. We received several tenders in response to this notification. These tenders had to be approved by Government. There were some tenderers who were fully qualified to execute the work mentioned in the tender. I have not prepared a schedule of rates for the items mentioned in the tender. The reason for not preparing a schedule of rates is that the specifications changed between the date of tender notification and the receipt of tenders. At the time of issuing the notification, we thought we would stick to the specifications but by the time the tenders were received the designs and specifications changed. During this period, I got altered designs from the Government Architect for some of the items in the tender notification. I

will produce them. Without the order of a higher authority I could not act on the alterations of the Government Architect. During this period, the Chief Minister was inspecting the models prepared by us in accordance with the designs given by the Architect and issuing oral instructions regarding their adoption. Excepting incorporating these changes in designs in the revised estimates that were under preparation, we did not approach the Government for sanction for these deviations involving extra cost. Some of them were major deviations as contemplated by the Codal rules. I know that the major deviations require the sanction of the sanctioning authority before they could be executed. There is no explanation for not obtaining the sanction of the Government. The object in calling for tenders was to give the work to different contractors at competitive rates or on piece-work system. We have not given any of these items on piece-work.

30. I agree that the Mysore Engineers are competent contractors for execution of this work.

Q.—Had they applied for the work being given to them on piece-work system and what was your reaction ?

RESUMED ON THURSDAY—8TH NOVEMBER 1956.

31. After the Rs. 80-lakh estimate was prepared I told the Chief Engineer Mr. K. S. Gangadhara that the estimate I would be submitting would be for Rs. 80 lakhs. He told me that it should not exceed Rs. 50 lakhs and directed me to reduce it. I did not ask him the reason why it should be reduced. I did not tell him that there is no scope for reduction. *When I prepared the estimate of Rs. 80 lakhs, I did not think that it was an excessive estimate. It was a proper estimate for the kind of work contemplated in the estimate.* In the Rs. 50-lakh estimate, the description of the items of work and the quantities are the same as in Rs. 80-lakh estimate. *Apart from the direction, there was no reason for reducing the Rs. 80-lakh estimate.* I did not ask the Chief Engineer how the reduction should be made, either by reducing the items or by reducing the rates. The Chief Engineer did not tell me how the estimate should be reduced. The Chief Minister did not tell me to reduce the estimate. The Chief Engineer did not tell me that it was the order of the Chief Minister or any other Minister to reduce the estimate. The office copy of the Rs. 80-lakh estimate is shown to me. I have made the corrections in the rates and cost. *First I tried to reduce the estimate by keeping all the items. But I could not reduce it to Rs. 50 lakhs. Therefore, I deleted the services items.*

32. I have stated in the draft report accompanying Rs. 80 lakhs estimate and in the report accompanying Rs. 50 lakhs estimate that the rates for all ordinary items of work were based on the current schedule of rates of the Buildings Division, Bangalore and that on special rates for other special items of work, the detailed data for which will be worked out during execution.

33. Except for a few items, all other rates are reduced. The rates in Rs. 80 lakhs estimate were based on the schedule rates of Buildings Division, Bangalore. The statement in the concluding paragraph of the report accompanying Rs. 50 lakhs estimate that the rates are based on the current rates of Buidings Division, Bangalore is not correct. The report was drafted in a hurry and hence the mistake was committed. As a matter of fact, the draft report for Rs. 80 lakhs estimate was finalised in a hurry and sent with the Rs. 50 lakhs estimate.

34. The tenders were received by 21st September 1953 and a comparative statement of the tenders is dated 6th October 1953.

Witness No. 2.

Though the tenders were available with me at the time Rs. 80 lakhs estimate was changed to Rs. 50 lakhs, I did not refer to the rates in those tenders. There is no reason why I did not do this.

35. At the time I submitted this Rs. 50 lakhs estimate the construction had come up to basement level. In some places the basement slab laying was under process. About that time, a film was taken.

36. At the time I prepared the Rs. 50-lakh estimate, I had the benefit of rates as per actual execution. As regards other items, I thought that I could reduce the rates by working departmentally.

37. The estimate of Rs. 50 lakhs was returned to me by the Superintending Engineer. I do not remember to have had any talk with the Superintending Engineer about the estimate either before or after it was returned. Without seeing the letter re-submitting the estimate, I cannot say whether the directions of the Superintending Engineer were carried out by me. I cannot say whether I had requested the different departments for preparation of detailed estimates for services.

38. *It was not possible to include any of the services and limit the estimate to Rs. 50 lakhs.* I do not remember to have seen any order of Government to prepare detailed estimates so as not to exceed Rs. 50 lakhs.

39. When Government sanctions a Building work and fixes a limit of expenditure, the limit is for Building work only, unless the order says "including services".

40. Although there was no direction to include services, I included them in the Rs. 80-lakh estimate because generally services are included in a Building esitmate.

41. Just after the Rs. 50 lakhs estimate was sanctioned, the Government gave a direction that the estimate shall not exceed Rs. 50 lakhs. I did not report to Government that it was not possible to limit the expenditure to Rs. 50 lakhs, as it was too early at that time to forecast that the expenditure would exceed. About the beginning of 1955 I realised that it is exceeding Rs. 50 lakhs. Even in January 1955 I could not assess a probable excess over Rs. 50 lakhs. My report dated 11th August 1954 is shown in which I have reported that the probable expenditure would be approximately Rs. 120 lakhs. This report was made because of pressing demands for detailed estimates. *At the time I got the Government Order, I knew that the expenditure would exceed Rs. 50 lakhs.*

Q.—Was it not your duty to inform the Government that it would not be possible to limit the expenditure to Rs. 50 lakhs ?

A.—*It was my duty to inform the Government that the work could not be completed within Rs. 50 lakhs.*

Q.—Were you given any assurance that you can go on with the work without a detailed estimate ?

A.—No assurance was given to me by any authority to go on with the work even if the Rs. 50-lakh estimate was to be exceeded.

42. From about April 1954, I was getting repeated reminders to submit detailed estimates early. I am not aware if the Chief Engineer reported against me for my continued delay in submitting the detailed estimate or that he requested the Government to hold me personally responsible for the procedural irregularities. I do not remember to have received any reminders from Government directly to expedite submission of the detailed estimate. I informed the Government on 18th February 1955 that the detailed estimates are being prepared basing them mostly on the finalized designs and will be submitted shortly. I submitted the detailed estimates on 14th March 1955.

Witness No. 2.

43. During the period Rs. 50-lakh estimate was sanctioned and Rs. 130-lakh estimate was submitted, I was working on the Rs. 50-lakh estimate with the altered working drawings received from time to time prepared by the Government Architect and approved by the Chief Engineer, and also by the Chief Minister.

44. Rs. 130-lakh estimate provided for all the designs that were finalized by 13th March 1955.

45. On 15th March 1955 the Sectional Officers reported to me that the Civil Works would cost Rs. 115 lakhs. The primary detailed estimates were prepared by these Sectional Officers. They were received by me about the same time. I based the Rs. 130-lakh estimate on these primary estimates.

RESUMED ON FRIDAY—9TH NOVEMBER 1956.

46. *If I had prepared the estimate on the basis of the estimates submitted by the Sectional Officers, the estimate would have reached about Rs. 143 lakhs. I was orally asked by the Chief Engineer to limit the estimates to Rs. 130 lakhs.* I reduced the Civil Works estimates by Rs. 13 lakhs by reducing the lumpsum items and certain rates for pillars and some other items. I cannot say whether reductions were made in all the lumpsum provisions or in some of them or what was the reduction unless I can get the estimates of the Sectional Officers. They are not readily available. For the four domes over the end facades and two domes by the side of the central dome, the provision made by the Sectional Officers was Rs. 3.2 lakhs. I reduced it to Rs. 1 lakh. Without studying the details, I cannot say whether any reduction was made in the different provisions for the central dome. The total provision for the central dome in the sanctioned Rs. 130 lakhs estimate is Rs. 6.79 lakhs.

47. The Rs. 115-lakh estimate was based on the detailed drawings furnished by the Government Architect.

48. As regards the works executed till then, average rates of some items were worked out and not of all items. I have not got the statement of the rates so worked out. The average rates worked out were taken as rates for Rs. 115-lakh estimate. About 50% rates were not worked out. I do not know why the 50% rates were not worked out. The Sectional Officers will be able to explain.

49. The detailed estimate of Rs. 130 lakhs was under preparation for about eleven months. For the items completed, average rates per execution were to be taken, and for other items, the probable rates which would be worked out by my Sectional Officers. I had orally given these instructions to my Sectional Officers. I have no reasons to say that my Sectional Officers had not carried out these instructions. They had, however, made extra provisions for items which were partly under execution or which were yet to be executed. Even if I had not received the instructions of the Chief Engineer, I woud have reduced the estimate of Rs. 115 lakhs by at least Rs. 10 lakhs because of these excess provisions provided by them. Besides the detailed Rs. 115 lakh estimate which is not readily available there is no documentary evidence in support of my statement that excess rates were provided by the Sectional Officers.

50. I had meetings with my Sectional Officers for about 2-3 days to finalise the Rs. 130-lakh estimate, and this Rs. 115-lakh estimate was freely referred to at the meetings. The meetings were over about four days before the estimate was submitted to the Chief Engineer on 14th March 1955. The detailed estimates must have been submitted to me some days before the meetings. After the estimates are finalised, the Sectional Officers have no need for the primary estimates. These enclosures of the letter dated 15th March 1955

Witness No. 2.

must have been received in my office as stated therein. I will get them searched and, if found, send them to the Committee.

51. As against the provision of Rs. 60,000 in the Rs. 115-lakh estimate and Rs. 20,000 in the sanctioned Rs. 130-lakh estimate, the provision in the work slip is Rs. 95,000 for each of the four domes over the end facades. As against the provision of Rs. 40,000 in the Rs. 115-lakh estimate and Rs 10,000 in the Rs. 130-lakh estimate for each dome by the side of the central dome, the provision in the work slip for each dome is Rs. 50,000.

52. According to the drawings of the Government Architect, the provision made by me for these domes in the Rs. 130-lakh estimate was grossly inadequate. But my idea was to change the designs to simpler ones and reduce the costs. The designs of these domes finalised by the Government Architect were approved by the Chief Minister. I could not change the designs on my own authority. I wanted to explain to the Chief Minister and get the designs altered to simpler ones. I was not consulted before finalising the designs of these domes. The Chief Minister must have considered it unnecessary to consult me in this matter.

Q.—In these circumstances, why were you anxious to have the designs modified and to reduce the costs ?

A.—To limit the expenditure to Rs. 130 lakhs.

Q.—Did you bring this fact to the notice of the Chief Engineer in your report ?

A.—I did not state in my report that a saving could be made by modifying the designs of these domes and I have provided the cost of modified designs.

Q.—Can you give any reason ?

A.—*Because I was asked to limit the expenditure to Rs.* 130 *lakhs, I had to reduce the estimate. Without alteration in the design, it was not possible to reduce the estimate.*

53. The designs of both these types of domes were changed after 14th March 1955 involving higher costs. After 14th March 1955, the models were prepared and the work was executed according to the approved models.

54. Although the Government was pressing for detailed estimates, I did not consider it advisable to form a Special Sub-Division for preparation of the estimates quickly because the four Sectional Officers already on duty knew conditions much better than an outside officer and because the estimates prepared by these officers jointly would be more accurate. I knew that these officers could not prepare the estimates quickly as their executive duties did not leave them adequate time for this work. They could at the most spare one or two hours a day. *The main reason for not accepting their estimates is that I was asked to limit the estimates to Rs.* 130 *lakhs.*

55. In his inspection note dated 7th June 1956 the Chief Engineer warned me to limit the expenditure to Rs. 130 lakhs as he noticed heavy excesses under various items. The Chief Engineer wanted me to curtail the expenditure on several major items and effect maximum economies possible. *Since those warnings were not heeded, he issued this strong note dated 7th June* 1956. From the date of the submission of Rs. 130-lakh estimate and 7th June 1956 the Chief Engineer was frequently inspecting the works. Sometimes he used to come with the Chief Minister. During the inspections I impressed on them that these deviations would cause excesses over the sanctioned estimates. But I did not give them an idea of the excesses.

Witness No. 2.

56. I could not carry out the instructions of the Chief Engineer to effect economies and reduce the expenditure because during his frequent inspections the Chief Minister was inspecting the several models put up for railings, top parapets and pillar designs and insisted on a high degree of finish. I did not make a written report to the Chief Engineer of the deviations ordered by the Chief Minister and the probable excesses involved because I had no time, though the rules require such a report being made. During the inspections, though the Chief Engineer knew of the deviations, he did not ask me to make a report and obtain sanction for excesses.

RESUMED ON TUESDAY—13TH NOVEMBER 1956.

57. The documentary film was shown to the Chairman and Members of the Committee on 12th November 1956. The exhibition took 1½ hours. The film regarding Marshal Tito's visit was not shown because it might have been cut off as it might not have come off well. I did not make an enquiry about this. The films taken are of two kinds. I have no idea of the comparative cost. I am not aware that the original proposal was for a film of 2,000 feet. During my time, the taking of film was started on 29th September 1953. I remember that on one or two occasions I communicated the Chief Minister's instructions to the Principal to take film. On other occasions directions might have been given direct to them. The original estimate was for Rs. 5,375. It was sanctioned on 31st March 1956. The Principal, Occupational Institute, asked me to obtain Government sanction for an estimate of Rs. 12,935. He did not furnish details and I did not ask him for the details before forwarding it.

Q.—Why did you not ask for details ?

A.—I have not studied this record. I want time to study it. (The record referred to is the record of his office).

58. Mr. T. V. K. Chari was an Engineer and Piece-work Contractor. He has requested me for an advance of Rs. 5,000 to enable him to recruit chiselers for his work. This was on 31st January 1955. His application is at page 72 of my record. I told him that I will recommend grant of the advance to the Chief Engineer and he may recruit labour. The terms on which he wanted the advance are to be found in his letter dated 31st January 1955. There was no agreement or any understanding with Mr. Chari. I told him that I would forward his application for advance with a recommendation. Accordingly I made the recommendation on 1st February 1955. In recommending to Government payment of this advance to Shri T. V. K. Chari, the Chief Engineer stated that the advance will be made on the personal responsibility of the Special Engineer as per para 553(d) of the Mysore Public Works Account Code. Before I got a copy of this recommendation, I made the advance to Shri Chari on his execution of " Guarantee and Undertaking ". The Government sanctioned this advance on 10th June 1955, and approved of the payment of the advance in anticipation of sanction. On 19th March 1955, I had moved the Chief Engineer for payment of second class travelling expenses of Shri Chari and the travelling expenses and wages of his chiselers. The Chief Engineer did not accept this proposal, by his letter dated 11th June 1955.

59. In my letter No. 333—VS, dated 7th June 1955 to the Chief Engineer I stated that recruitment of chiselers by Shri Chari should be treated as if it was done by Government agency and the Government has therefore to meet expenditure. In this letter I have further stated,—

> " Instead of sending an Assistant Engineer, the Contractor was entrusted with this duty of recruitment."

There is no document to support this statement.

Witness No. 2.

60. Shri Chari wanted the advance to recruit chiselers for his contract work as a piece-work contractor of Vidhana Soudha. The Assistant Engineer would be deputed to recruit labour for *Amani* work and not for any piece-work contractor. *Shri Chari was not doing the work of an Assistant Engineer in recruiting labour. Still I recommended that recruitment by Shri Chari should be treated as if done by Government Agency.*

Q.—What are your reasons for making this recommendation ?

A.—Out of the total labour recruited by Shri Chari, we wanted to take a portion of that for departmental work.

This idea was there before Shri Chari asked for an advance. Before Shri Chari asked for an advance, there was an oral understanding that out of the labour recruited, he would retain half and he would give half for *Amani* work provided he recruited about 200. If he recruited less he would keep all the chiselers for his work. There was no agreement with Shri Chari to share the cost of recruitment. Shri Chari did not then say that the Government should contribute proportionate expenses for recruitment if the Government wanted any recruited labour. Still I intended to pay the cost of recruitment to Shri Chari for the labour recruited by him for his work.

Q.—Why did you not mention this intention of yours in your recommendation to the Chief Engineer dated 1st February 1955 ?

A.—There is no reason.

61. This intention is not also mentioned in my letter dated 7th June 1955.

62. In my letter dated 6th February 1956 (No. 6391—VS) to Government, I had stated that Shri Chari was induced to proceed to South India to recruit more chiselers on condition that in addition to recoverable advance of Rs. 5,000, he would be paid the journey expenses of himself and the labour recruited by him.

Q.—Is this statement correct ?

A.—Yes, it is correct.

Q.—Why did you not mention this inducement in your recommendation dated 1st February 1955 ?

A.—It was an omission.

The inducement was that if Shri Chari makes a claim, I would recommend his request. There is no reason why I did not tell Shri Chari to make this claim in his letter dated 31st January 1955.

RESUMED ON WEDNESDAY—14TH NOVEMBER 1956.

63. In support of my proposal to pay cost of recruitment to Shri Chari, I relied on the precedent of payment made to Shri Rajappa who is a piece-work contractor, and also to Shri Munirathnam. These payments were made from the amount of Rs. 1,00,000 sanctioned by Government under Order dated 19—20th February 1954. This advance was sanctioned for recruiting labour for *Amani* work. I did not obtain sanction of Government to make payment to Shri Rajappa. I did not move the Government for such sanction.

64. There is a rule in the Mysore Public Works Account Code under which an Executive Engineer is empowered to pay to the piece-work contractor the cost of recruitment of labour for his contract work. The rule referred to is note to para 326 of the Code. My Divisional Accountant advised me that the payment to Shri Rajappa could be made under this provision. My attention is drawn to para 327 and

the heading 'Payment to Work-Charged Establishment' above para 318. My recommendation is not consistent with the codal rules. *There is no rule in the Code which justifies such payment.* In my anxiety to get the work done quickly and to recruit more chiselers for the work, I did not make a distinction between recruitment for *Amani* work and recruitment by piece-work contractors for their work.

65. The payment to Shri Munirathnam was also made out of the aforesaid advance of Rs. 1,00,000. The payment made to Shri Munirathnam was an advance and not a payment for the cost of recruitment. But I had also promised to pay him the cost of recruitment. I was not *authorised to make an advance to him without Government sanction. I did not apply to Government for sanction to make this advance.* I did not apply to Government to pay him the cost of recruitment. I do not remember if he has given me any bill. If he had given me the bill, I would surely have applied to Government for sanction. The amount is outstanding against him for the last 2½ years. He discontinued work about June 1954. There are other outstanding dues recoverable from him for the cost of materials supplied like steel, coal, etc., which were not adjusted against his bills.

66. Generally I do not take agreements from piece-workers. I do not remember if any agreement was taken from Shri Munirathnam.

67. An additional rate of 10 per cent has been paid to the piece-work chiselling contractors, as approved by the Chief Engineer. This was paid for expeditious execution of the work by recruiting a large number of chiselers.

68. The rates of each contractor were orally fixed. No record is made of the oral agreement. For some items we worked out rates by departmental working. The rates of departmental work and those agreed with the contractors were the same. For other kinds of work, we had to pay them less than the rates of departmental work because their finish was much inferior. But for the kind of work they did, they got the rates which would be the rates of departmental work.

69. I received from Government letter No. P.W.B. 10054-55, dated 12th March 1956. In my reply dated 17th October 1956, I have informed the Government that the rates for departmental working and for piece-work contractors for any particular kind of dressed work are the same.

70. When I received Government letter dated 12th March 1956 I asked the Assistant Engineers concerned for information and report, because I myself did not then know and without getting information from the Assistant Engineers, I could not make any statement, one way or the other. No report was received from these persons. But the reply dated 17th October 1956 is drafted by one of them who is in charge of departmental execution of dressing work. *I passed the draft believing it to be correct.*

71. The carpet area of the 3rd floor is about 40,000 square feet. The last accommodation statement was finalized at the meeting held on 23rd August 1956. The total number of occupants (Ministers, Secretaries, Assistant Secretaries, Gazetted Assistants, Clerks and Managers) provided for is 1,148. The total carpet area is 2,41,086 square feet including 41,580 square feet for the third floor. Out of this 2,508 square feet on the ground floor and 19,915 square feet on the third floor are shown as vacant. These vacant areas are fitted up as general office rooms.

72. The Dining Hall is intended to be Canteen for the Office staff. For the legislators, kitchen would be the one attached to the Dining Hall and tea rooms are provided for them in the lounge rooms by the side of the Assembly Halls.

Witness No. 2.

73. I cannot say what this item No. 10—two recreation halls shown on the ground floor—refer to.

74. The writing of the 'C' register was commenced about a year ago. It is not yet brought up-to-date. The accounts Superintendent brought to my notice about two months back that some sections are posted up to March 1956 and some sections up to June 1956. *I have not examined whether the 'C' registers are in the form prescribed by the Code. I have not reviewed the 'C' registers at all because I had no time to do so.* I expected my Accounts Superintendent to check the correctness of the 'C' Registers but I do not know whether he has done it. The object of maintaining a 'C' Register is to ascertain the outlay on any particular item of work at a particular time and also to ascertain whether the execution is within the sanctioned or reasonable rate. To achieve this, it is essential that the value of the material used must be entered in the 'C' Register. *I do not know whether the value of the material is shown in the 'C' register.* I could ascertain the rates of execution from the nominal rolls and measurement books. The 'C' register works as a check on the nominal roll and measurement book.

75. I discovered about two months back that the 'C' registers are not correctly written because the rates worked out from those rates appeared to me to be fantastic. As regards the 28-feet pillars, I found that they had divided the total expenditure by a smaller number of pillars than those executed. They had taken the 1956 rate for steel for the work executed in 1953, 1954 and 1955. They have taken the highest rates of 1956 for several other items of material. According to Codal rules, the average rate for the materials should be the half-yearly rates. But since that was not done, now the average rate shoud be the average rate for the whole period of execution. *If I had acted according to the Codal rules and inspected the accounts every month before submitting the monthly statements, all these difficulties would not have arisen.*

76. Measurements have not been taken except the ones taken at the time of the submission of the nominal rolls. I have not checked any of these measurements at any time.

77. When the nominal rolls were received in the Division Office, there was one clerk for each section to check them, and the accounts Superintendent to scrutinize that work. The Accounts Superintendent is the Manager of my office. Two clerks were sanctioned for each sub-division and one of them was working in my office. This clerk was doing all correspondence relating to that sub-division. He was also doing the accounts work in the division, and also checking the nominal rolls. We used to get in all about 20 to 22 nominal rolls per week, of about 3,500 labourers. These nominal rolls were being received from Wednesday to Friday.

78. In addition to this work, these clerks had to check the bills of the piece-workers and audit purchase bills for materials and the task work statements. They had also to compile all the accounts to be compiled in a sub-division office. Such bills to be audited were about 100 per week. This work of scrutiny had to be done by these clerks in their spare time in addition to other normal work.

RESUMED ON THURSDAY—15TH NOVEMBER 1956.

79. In letter No. 6391 dated 6th February 1956 addressed to Government shown to me I have stated,

> "It was therefore decided to recruit labour at Government cost and hand them over to piece work contractors binding them to keep each recruited labour for a period of six months on Vidhana Soudha works."

Witness No. 2.

I had come to this decision in consultation with my Assistant Engineers in the beginning of 1956 when we wanted more chiselers. *I had no power under any rule or any authority from Government to do this.* Without looking to the file I cannot say whether I had recruited any labour at Government cost and handed them over to piece work contractors after I took this decision in the beginning of 1956. Both Shri Rajappa and Shri Chari had recruited labour for their respective works before January 1956. Shri Munirathnam had recruited labour for his work much earlier.

80. In my letter dated 25th May 1953 addressed to the Superintending Engineer, Bangalore Circle, I had proposed a Committee for fixing the rates. There I had stated that the basis for the rates will be—

(1) Current schedule and

(2) Minimum tender rates received during the period; and the rates shall be decided by the Committee with a view to have sufficient attraction for completing the work in time. Another Committee that I proposed was a Technical Committee. That proposal was accepted by Government. I did not press my proposal for the Committee for rates as the Chief Enginneer told me that he was the final authority in the matter and that the Committee would encroach on his powers. The idea in proposing this Committee for rates was to distribute the work among several contractors on piece work system at the rates to be fixed by the Committee. They would also form the basis for the detailed estimates.

81. In the letter dated 10th August 1953 forwarding my proposals, the Chief Engineer stated that the Committee will be able to arrive at details of designs, rates, architectural features, illumination, accostics, sanitary, water supply and drainage arrangements. It was also added that the powers of the Chief Engineer under the Code in the matter of finalization of rates will not be affected by the formation and recommendations of this Committee. This proposal was accepted by Government and the Technical Committee was formed on 15th September 1953. The position was that the question of rates had to be referred to the Technical Committee and its recommendations were to be forwarded to the Chief Engineer for final decision.

RESUMED ON FRIDAY—16TH NOVEMBER 1956.

82. I have seen the 'C' register maintained in the old form in the early period of the work, *i.e.*, between 1953 and 1954. I see that values for materials issued have not been posted in the 'C' registers. The 'C' registers written up by the arrears clearing staff were also shown to me. Here also, in the materials 'C' register, the values have not been noted. I see that the figures as entered in these 'C' registers, *i.e.*, written up by the arrears clearing staff, the monthly totals have been verified with the accounts. The mistakes that I referred to must have been in the allocations.

83. The rate list of materials shown to me marked A gives the average rates for the period from March 1953 to September end 1955. The rates in the second column are only for the month of October 1955. Page 1 of the book is shown. The heading is " Rate October 1955 to March 1956 ". This column shows the average rates for the half-year October 1955 to March 1956. There is no other book showing half-yearly rates prior to this. The Public Works Account Code requires these half-yearly rates to be worked out. My accounts staff was overworked and therefore that could not be done.

Q.—Was the staff overworked from the beginning, *i.e.*, from March 1953 ?

A.—No Sir.

Witness No. 2.

Q.—Since when it was overworked ?

A.—From October 1953 and onwards.

Q.—Why were half-yearly rates not worked out for the first half-year of 1953 ?

A.—I could not give much attention to the accounts side due to pressure of work on the executive side. The work that I did on the accounts side was replying to the objections of the Accountant. The passing of the bills that I did was to see that the bills are signed by the Accountant before payments are made.

84. The average rates worked out for the period March 1953 to September 1955 were approved by me for posting of the 'C' registers.

Q.—Are the 'C' registers not posted according to these rates ?

A.—That I have not verified.

I checked the 'C' register prepared by the arrears staff in July-August 1956. I checked the quantities and cash entries. No rates were entered in that register at that time. I have not checked these registers after I approved of these rates on 21st September 1956. The writing of the 'C' register was started in August 1955.

85. The calculations for arriving at these average rates are made in separate sheets. For the foundation some size-stones obtained from the local outcrops have been used. Rs. 28 was the actual rate for 100 c.ft. of that material. For that stone, the same rate prevailed. In this register A, the rate of Rs. 27 is shown but the entry is struck off.

86. The highest rate for the best sand collected departmentally was about Rs. 7-8-0 per c.yd. It would be less than 10% of the total purchase. Local sand was purchased at Rs. 5-8-0. We also collected that sand departmentally and the rates came to Rs. 5-4-0 to Rs. 5-6-0. These two sources account for about 90% of the total purchase. We had prepared data statements for collection of local sand departmentally. The rate varied between Rs. 5 to Rs. 5-8-0.

87. The finally corrected rate is Rs. 7. The proposed rate was Rs. 5-8-0. This figure of Rs. 7 is definitely wrong.

88. Although the rates for different sizes of mild steel rods vary, a uniform rate of Rs. 24 per Cwt. is taken for each variety in this book. The sizes vary from $\frac{1}{4}''$ to $1\frac{1}{4}''$.

89. The average rate to be taken is arrived at by dividing the total amount of purchase by the total quantity purchased, and that is how they are arrived at in this Book-A. This is not in accordance with the Accounts rules. It is possible to prepare half yearly issue rates for each half year. *But we have not done that because it is laborious.* We adopted an easy method to work out the rates.

90. I see that a few nominal rolls have been passed, some without my signature and some without my signature and that of the Accountant.

91. The Assistant Engineers are expected to check the nominal rolls about thrice a week, morning and evening, by taking attendance. A number of times I have seen them doing so. They initial the rolls.

92. Most of the work which I had proposed in para 4 of my letter dated 25th May 1953 to be executed by piece-work system or task work system has been done on nominal rolls.

93. The Mysore Engineers had applied for work being given to them on piece-work system. This firm was capable of giving an out-turn of more than Rs. 50,000 a month. They were capable of doing the several items of the work mentioned in para 4 of my said letter.

Q.—Did you ask them to give quotations for any work ?

A.—I do not remember.

Witness No. 2.

94. I was not aware and I am not aware of the existence of any Standing Technical Advisory Committee for the State.

95. I had not thought of the mode of executing the flooring work on 25th May 1953. The departmental mode of executing the flooring work would be to collect the material, machinery and other equipment and engage the required labour on nominal roll. Another departmental mode of execution would be to purchase tiles and get them laid either on nominal roll or on piece-work system. Executing a portion of the work in any other manner would not be material deviation from the Government Order. Therefore, Government's sanction was not necessary.

96. Tenders were received on 1st November 1954 from three firms :—

(a) Standard Brick and Tile Company, Ltd., Yelahanka, Bangalore.
(b) Mys-India Tiles and Engineering Co., Madras-3.
(c) National Cement Flooring Works, Mysore.

The tenders were opened by me on 2nd November 1954. On 16th November 1954, I submitted the tenders to the Chief Engineer. I considered the question whether this work could be done departmentally before calling for tenders and came to the conclusion that the work being skilled one could not be done departmentally. I did not mention this view in my letter dated 16th November 1954, requesting acceptance of the lowest tender. There is no reason for not mentioning this. This matter should have been referred to the Technical Committee for opinion even before calling for tenders.

97. In returning the tenders the Chief Engineer directed that the suitability of the rates quoted by the lowest tenderer and the desirability of all the works of flooring being done by tender system, etc., should be examined by the Technical Committee. This direction of the Chief Engineer, dated 23rd November 1954, was in accordance with the Government Order appointing the Technical Committee. Ordinarily I should have carried out this direction. But on 13th November 1954, I had asked the National Cement Flooring Works, Mysore, to see me with a view to make arrangements for putting up sheds, etc., required for manufacture of tiles. After discussion with their representative, I made arrangements for putting up the sheds. It was not due to this that I did not carry out the Chief Engineer's direction. Because of urgency I did not carry out the Chief Engineer's direction. There is no other reason besides this. I was the Convenor of the meetings of the Technical Committee. A week's notice has ordinarily to be given for the meeting of the Technical Committee after the date is fixed by the Chief Engineer. It can be convened also at a shorter notice. It is not necessary to send to the members the whole agenda of the meeting. There would have been no real delay if I had waited for about a fortnight for the opinion of the Technical Committee. If I wanted to place these tenders before the Technical Committee on 2nd December 1954, I could have done so.

Q.—What is the reason for not placing this matter before the Technical Committee on 2nd December 1954 ?

A.—One reason is to avoid delay. The second is that I wanted the Chief Engineer to reconsider his directions. There is no third reason.

Q.—Could you flout for these reasons the directions of the Chief Engineer who is your immediate superior and also the Chairman of the Technical Committee ?

A.—This is not flouting of the order of the Chief Engineer.

Witness No. 2.

98. *Q.*—Did you move the Chief Engineer for reconsideration of his order dated 23rd November 1954 ?

A.—I sent to him a letter dated 1st December 1954 which, though in terms is not a request for reconsideration, is one in substance.

The view advanced in this letter that, "The tender portion need not be discussed by the Committee" is erroneous. *The language used in this sentence is improper for a subordinate officer* vis a vis *his superior officer.* I could have avoided delay by placing the matter before the Technical Committee on the 2nd December rather than by writing this letter to the Chief Engineer on 1st December.

99. Before the tender notification was issued, the Technical Committee was not consulted as regards the types of flooring in the different portions as given in the tender notification. The Technical Committee had to be consulted before the lowest tender was accepted. Accordingly, the matter was placed before the Technical Committee on 2nd December 1954. I have not verified whether the quantities of different kinds of flooring according to the decision of the Technical Committee would be the same or different from those given in the tender notification.

100. By letter No. 3820—V.S., dated 8th December 1954, to Messrs. National Cement Flooring Tile Works, I requested the firm to take immediate action to start the flooring work without further delay. *I took it for granted that the Government will accept the tender though the tenders were not placed before the Technical Committee.*

NOTE :—The document marked A is retained for the present. The witness is requested to produce the sheets of calculations which are the basis for these rates.

RESUMED ON WEDNESDAY—21ST NOVEMBER 1956.

101. I produce the calculation sheets from which the rates in the document marked A are arrived at. These rates refer to materials-at-site account. The rates in document marked A are only provisionally arrived at subject to final revision by the Stores Officer and the Accounts Superintendent. The rates in document A are entered in the C register. After the rates are finally arrived at, they will not be written in the C register in place of the original rates, but adjustments will be made at the end. For example, if rate of Re. 1 is written in the C register and the total comes to about Rs. 10,000, and the rate is found to be Re. 1-4-0, I will add Rs. 2,500 at the end. For this intended procedure I rely on paras 380, 219 and 385 of the Public Works Account Code.

102. The Chief Engineer had asked me to examine two questions :

(*i*) suitability of rates quoted by the lowest tenderer and
(*ii*) desirability of giving the entire work on tender.

I examined both these questions before I resubmitted the tenders on 1st December 1954. I ascertained the market rates and I came to the conclusion that it was not possible to get the work done except by tender as machinery was not available. I have got no record of this enquiry of the market rates. I have not made any memorandum of these market rates. I have not mentioned in my letter dated 1st December 1954 that I had enquired about the market rates and was satisfied about the rates quoted by the lowest tenderer. I did not mention my views about the second point also.

103. For the relief tiles the rates quoted by the Standard Tiles Company was Rs. 15 less than the National Cement Flooring Works.

Witness No. 2

Q.—Why did you not recommend the acceptance of the lowest rates for this work ?

A.—I considered the whole tender as one unit which could not be split up.

There is nothing in the tender notification against the splitting up of the tender. There were precedents of splitting up the tenders.

Q.—Why did you not follow the precedent in this particular case and save some amount to the State ?

A.—I did not want to have too many agencies because it would involve separate arrangements for accommodation, water supply and power supply, etc.

104. The rates quoted by Mys-India were slightly higher than those of the National Cement Flooring Works.

Q.—In the interest of speedy execution of the work, did you not consider it expedient to split up the work and ask the Mys-India to execute the work at the lowest rates ?

A.—No, for the reasons already stated.

105. The tenders were opened by me on 2nd November 1954. On the tender of Mys-India I have made a remark that the documents mentioned therein were not received. Those documents are in the file.

Q.—Is your remark not incorrect ?

A.—I cannot recollect the circumstances under which I made that remark.

Since the earnest money receipt was there, I did not consider it essential to have the other documents before considering the tender.

106. Before tender notification was issued, Messrs. Srinivasacharlu & Sons had offered to execute the work at Rs. 160 per square against the average rate of Rs. 176 of the lowest tenderer if the total value of work given to them exceeded Rs. 3 lakhs. I did not enquire of this firm whether they would do this work before recommending the lowest tenderer. I did not send any reply.

107. Messrs. Tiles and Flooring Ltd., Coimbatore and their representative Messrs. M. Srinivasacharlu & Company offered to do the flooring work of the Vidhana Soudha either by manufacturing tiles at Coimbatore or at site as may be desired provided the total work given to them exceeded Rs. 3 lakhs and they offered a rate of Rs. 160 per square for complete laying and polishing including the cost of tiles. I sent a reply dated 17th November 1953 that the Vidhana Soudha Division did not intend to manufacture tiles for itself.

108. The agreement with the National Cement Flooring Works is not in accordance with the tender notification in respect of the supply of power for manufacture. Although the tender notification does not offer to supply power free, the agreement has made that provision. There is no meter fixed for the manufacturing plant.

109. I have constructed at departmental cost three water tanks for curing purposes for this contractor. I have not recovered the cost so far.

110. Although the contract provides for completion of this work by December 1955, the work was not completed because we could not make the space available for him to do the work.

111. Nearly about 75 per cent of the tiles used by the contractor are manufactured at the site. As regards the use of the remaining 25 per cent tiles, there is no breach either of the contract or the tender notification because there is no provision for using only the tiles manufactured on the spot. I have therefore not objected to the use of tiles manufactured elsewhere. I am told that the remaining

tiles were brought from Coimbatore. I did not verify whether they were from Coimbatore or from Madras. *I had not deputed any person to test the tiles whether manufactured at the site or brought from outside.*

112. Sample tiles as contemplated by condition No. 4 of the tender notification are not kept. There is no machine in Vidhana Soudha to test the strength and quality of the tiles.

Q.—You determined by visual test whether the tiles are of the required specification ?

A.—By visual tests and watching the process of manufacture, and the use of hydraulic ram.

113. The manufacture of the tiles at the site by the Mysore Company was inadequate to keep up the progress of the work. They were expected to manufacture and lay tiles worth about Rs. 40,000 a month. The agreement was signed on 2nd February 1955. The Mysore Company started manufacturing the tiles about April 1955. We have no record of the tiles manufactured at site. I have not seen the record of the Mysore Company, if any, to see the quantity of the tiles manufactured by them month to month. I have not ascertained the capacity of the machinery put up by him to manufacture the tiles per month. We had to supply the cement required for the manufacture of the tiles at site. I am not aware of the rules regarding the control of movement of cement. I issued cement for manufacture of tiles at Coimbatore. Under the agreement, the Mysore Company was entitled to cement from Vidhana Soudha for manufacture of tiles intended for this work, whether at site or elsewhere in Mysore State or outside it. I do not know how many tiles can be manufactured in one ton of cement. We have not kept any record of the tiles received out of cement issued for manufacture of tiles at Coimbatore.

Q.—This issue of cement to Coimbatore was within a month of the agreement with the Mysore Company ?

A.—That I have to verify and reply.

114. I have not enquired where these tiles were being manufactured at Coimbatore before cement was issued or thereafter. The tiles from Coimbatore which are used are of the firm Tiles and Flooring Co., Ltd. These tiles from Coimbatore were being used from about the middle of 1955. I am not aware whether the tiles of MYSINDIA have been used for the flooring in Vidhana Soudha. I knew that the Coimbatore tiles were being used because I used to see lorries coming from Coimbatore laden with tiles. We have no record of lorries employed by the contractors either coming into Vidhana Soudha or going out of it because they are not coming and going every day.

115. I do not know the marking of the tiles manufactured-at-site.

Q.—Are you prepared to deny the statement that the tiles manufactured-at-site bear the mark 'MYSINDIA MADRAS' ?

A.—I have not examined that aspect.

116. MYSINDIA was also one of the three tenderers. The tiles are being laid by the Coimbatore firm, Tiles and Flooring Company, Limited, from about the end of 1955. By the end of 1955 the ground floor was ready for laying tiles and the work was being done. But the other floors were not ready. The person who is manufacturing the tiles-at-site is doing the laying work also.

117. I did not obtain the approval of the Technical Committee before seeking approval of the Chief Engineer in my letter dated 14th April 1955 for change in the types and quantities of flooring, because this modification was prepared by me and the Government Architect jointly.

Witness No. 2.

Q.—Is this a sufficient ground for bypassing the Committee ?
A.—Generally, they were not contradicting the joint opinion of the Government Architect and myself. Therefore it was not referred to the Committee.

This proposal is not yet approved by the Chief Engineer. *Without obtaining the Chief Engineer's approval, I have not only made the changes as proposed in my letter dated 14th April 1955 but also other changes subsequently.* I have not issued any written orders to the contractors as regards the type and quantities of work to be done by them. The written agreement with the contractor has been varied by me with the concurrence of the Government Architect and under the written and oral instructions of the Chief Minister. The written instruction of the Chief Minister is only dated 21st March 1955. The other instructions were oral.

118. *I did not calculate the additional liability to the Government on account of the changes proposed in the letter dated 14th April 1955 or in subsequent changes executed.* The only reason for this was the pressure of work. *The flooring of the third floor which was meant for offices has been changed from plain red tiles to mosaic flooring.* I have not submitted any proposal to the Chief Engineer for approval and obtaining Government sanction.

119. I have not obtained the approval for increasing the quantity of terrazo work from 450 to about 900 squares.

120. I have seen the letter dated 3rd May 1956 in regard to my recommendation for certain rates in respect of the patterns of flooring not tendered for. No approval has yet been received. I have not taken the acceptance of the contractors to these rates. The works have been carried out in accordance with these patterns with deviations of specifications in certain items. I have arranged for departmental execution of terrazo work for ornamental pillars end architraves. I have not yet completed the work of any unit so as to arrive at data rates.

121. Four hundred and fifty-one data sheets are still under submission. In practically all cases, these data sheets are for stone dressing by piece-workers and task workers. Only part rates have been paid to the piece-workers.

122. I have seen letter No. 217 dated 25th June 1955. He has asked for certain powers and facilities, and he has complained to the Chief Engineer that such facilities were not granted to him. If the facilities and powers asked for by the Executive Engineer had been granted, there would have been two Divisions. I consider that those powers were not necessary either for expeditious execution of the work or for maintenance of accounts in his section.

123. Although the provision for lifts was deliberately deleted in the Rs. 50-lakh estimate submitted by me on 6th October 1953, I continued taking steps for placing orders for the lifts. Although I omitted that provision in the Rs. 50-lakh estimate, I considered the lifts essential. Therefore I started taking steps for purchasing the lifts with the intention of making provision for them in the revised estimate.

RESUMED ON FRIDAY—23RD NOVEMBER 1956.

124. The tenders for flooring were received in duplicate. The original tenders were sent to Government through the Chief Engineer and the duplicates were retained in the office. The original tender of the National Cement Flooring Works was received back but the other two originals were not received back. I remember to have made a reference to the Chief Engineer about the non-receipt of the other two tenders. The tenders are kept in an iron safe in the custody of the Cashier.

Witness No. 2.

125. The tender of the Madras firm was delivered to me in person. I do not remember who the person was. The initials that I have made on the duplicate were made on 2nd November 1954 when the tenders were opened. I cannot say whether these slips pasted on this form were there when I opened the tender. Generally, when slips are pasted on a tender form, I attest them. There is no attestation on these slips pasted to the duplicate.

126. The rates on this duplicate which are scored out were scored out before the tender was opened and not in my presence. It is my practice to note down the number of corrections I attest on any form either on the form itself or in the tender register.

127. The National Cement Floooring Works, Mysore, has a factory at Mysore which I had seen. They had only two or three hand-presses and had no hydraulic press. I have no idea of their daily output of tiles at Mysore. On the Vidhana Soudha site, there is one hydraulic ram and about six presses. This hydraulic ram gives high pressure from the bottom of the tile. The production of all the six presses is 50 squares per hour and the presses work from 10 to 16 hours according to demand. They were working throughout except for Sundays. I have ascertained this morning the working capacity of the machinery and I say that the capacity of all the six presses together is $2\frac{1}{2}$ squares per hour. The statement that it is 50 squares is a mistake.

128. For the terrazo work done by the contractor or on piece work, imported chips are not used.

129. When the work was given to piece workers, I promised to pay them the rates that would be finally paid to the contractor.

130. *The representatives of the Coimbatore firm and the Mysindia are executing the work for the flooring contractor.*

131. Ordinarily, the contractor who does the flooring work executes the work of the levelling course. The levelling course is essential for every kind of flooring to fill up the undulations in the R.C.C. slab and to have a proper level and the required slope. The tiles have to be laid while the levelling course is still green. The tiles should be laid in about 48 hours after the levelling course is laid. It is therefore advantageous to have both the works executed by the same Agency. The levelling course that I have referred to was not given on tender but was to be done by the Department.

Q.—What was the object in departing from the usual practice and retaining the execution of levelling course for the Department?

A.—We could not correctly specify the thickness of the levelling course when the tender notification was issued.

132. At the time of issuing the tender notification, we did not consider whether there would be proper co-ordination in getting the work executed by two Agencies. This difficulty was experienced when the work was started. Before the regular work was commenced, we laid one or two squares by way of sample, and we experienced the difficulty in having the work done by two different Agencies. Therefore, I wrote the letter dated 25th April 1955 to the Chief Engineer proposing that the entire labour work be given to the contractor and the material should be supplied by the Department. I had not entered into any agreement with the contractor. I had told him that this untendered work will have to be done by him at the rate fixed by the Chief Engineer.

133. Regular flooring work was not started before 15th April 1955. The red-tiles work done by the contractor for the ground floor was bad and I had to give them warnings. Because the contractor was not keeping up the stipulated progress, I had to give him notices to do the needful.

Witness No. 2.

134. When the tender notification for flooring for Vidhana Soudha was issued, the tenders for the Accountant-General's Office Building were received and accepted also. The original tender for the Accountant General's Office Building was of plain red oxide flooring for everywhere. Subsequently, the pattern of flooring was changed.

135. The specification for flooring in the estimate of the Accountant General's Office Building is the same as in the Rs. 50-lakh estimate for the Vidhana Soudha, and the estimated rate is Rs. 75 per square in the Accountant General's Office Building estimate. In the Rs. 50-lakh estimate it is Rs. 50 a square. We thought we could make a saving of Rs. 25 per square. We did not want to adhere to the specification in the Rs. 50-lakh estimate and we wanted to execute departmentally flooring with different specifications at the cost of Rs. 50 per square. In the Rs. 80-lakh estimate, we wanted to adhere to the specifications rigidly. The rate in the Rs. 80-lakh estimate was reduced with a view to maintaining the cost within Rs. 50 lakhs by varying the specifications.

136. The rate for this kind of flooring quoted by the lowest tenderer of the Accountant General's Office Building and accepted was Rs. 60 per square. About 22nd September 1953 this tender was submitted to the Chief Engineer for obtaining Government's sanction.

137. A note regarding cash advances taken by the Section Officers was forwarded to me by the Committee for remarks. My reply is dated 26th October 1956. The same note was sent to me by the Chief Engineer for remarks and I sent reply to the Chief Engineer. I have now read the replies. The first reply refers to nominal roll and the second reply refers to task work. I have not verified whether the statement comprises advances both for nominal roll and for task workers. *Without studying exactly what the statement refers to, I sent the first reply. The second reply was also sent without exactly ascertaining what the statement relates to.* Both these replies were prepared by my Accounts Superintendent. Without myself scrutinizing I forwarded them because I depended on my Accounts Superintendent. I did not ask him whether the statement that was received was correct or not.

138. I gave advances to Sectional Officers on their personal responsibility for making advances to task workers. I have not passed any such general order, but I have made such remarks on the individual requisitions. Under the Accounts Code, I am not empowered to make such advances. I have not obtained Government's sanction to make these advances. But I have made one or two reports to the Chief Engineer to permit me to make these advances. The permission was refused. In spite of that I made advances. I had to make them in the interest of the work. When the advances were asked for by the task work Sectional Officer, he did not submit to me a list of persons to whom the advances were to be given. At the time of asking for subsequent advances, the Officer did not furnish details of the outstanding advances against the task workers. I did not verify whether the accounts maintained by the Sectional Officer agreed with those maintained in the Division Office. I have not verified whether the Sectional Officer maintained and cash book. He had told me that he maintained one.

139. In the cash chest there is a register of tenders and the accepted tenders. That is in charge of the Cashier. The key of the cash-chest which I used to keep has been handed over to the Special Engineer in charge yesterday.

Witness No. 2.

140. *Q.*—Is there any documentary evidence of the return of the cement bags by Kempiah & Sons other than what could be gathered from the book styled " Cement Stock Position " and which you have referred to as Cement Register ?

A.—I will verify the records and say.

Q.—Did you not verify this before you sent the explanation submitted by you to the Chief Engineer ?

A.—I would like to see the explanation before making any statement.

The explanation sent to the Chief Engineer about the cement loans was prepared by the Store-Keeper and the Stores Officer. *I did not verify the statement as I had no time to verify.*

141. The Cement Register was meant for me to keep an idea of the balance stock of cement in order that the work may not be stopped for want of cement. The minimum balance was not to fall below 1,000. When the stock became practically nil, say about 50 or 100 bags, I counted the stock once or twice. I do not remember whether I made any note of actual stock I found on counting. I do not remember whether I made any note in this register of my counting the stock. I did not check whether the issues and receipts shown in this register tallied with the issue and receipt registers. I did not verify whether the balances were properly struck in this book.

142. The following endorsement at page 12 is made by me :

" Checked and found the balance correct.

M. Muniappa,
17-5-1956."

I checked on that date the number of cement bags and found them correct according to this book.

(The witness states that '56' in the endorsement must be a mistake for '54'.).

I have signed this register mostly to know the daily balances. I assumed that the register was correctly written.

FRIDAY—19TH OCTOBER 1956.

Witness No. 3.

SHRI H. ANANTHACHAR, B.E., A.M.I.E. (Ind.), *Chief Engineer of Mysore, states* :—

I became Chief Engineer of Mysore, Public Works Department, since 23rd November 1954. Mr. K. S. Gangadhara was my predecessor. When I took over charge, the basement floor and the ground floor had been completed, the dining hall had been completed and the first floor and the second floor were in various stages of construction. For the Assembly and Council Halls—the walls and pillars had gone up to very nearly roofing level. For the front entrance, concrete steps had been laid and for the front 40 feet pillars from 4 feet to 8 feet some pillars had been constructed.

2. A Special Division was formed to execute this work by Government Order, dated 24th September 1952. There is a Government Order to do the work departmentally. This order to do the work departmentally was passed after the plans had been finalized by the Committee appointed for the purpose and approved by the Government. Ordinarily, it should take four to six months to prepare the detailed estimates according to the plans in the Executive Engineer's Office, if necessary staff was specially deputed for the purpose. Four Supervisors, one Draftsman and two Assistant Draftsmen, one Senior Assistant Engineer well-versed in buildings designs and R.C.C. work would be required for this work.

3. Within two weeks of my taking over charge, I inspected the Building. I did not inspect the office. When I took over charge, I had a Deputy Chief Engineer and the Financial Assistant attached to my office. But that Deputy Chief Engineer was transferred one or two days prior to my taking charge and his successor took over charge after about 1½ months. There were frequent changes of Deputy Chief Engineer. The normal inspection by the Chief Engineer or his delegate should be once a year. The Divisions should be normally inspected by the Chief Engineer or his delegate once a year.

4. During my inspection I noticed that the detailed estimates had not been prepared for the full Building. The Special Engineer told me that he could not prepare the detailed estimates on account of heavy work. I asked him to depute the necessary staff and get the estimates prepared and work overtime, if necessary.

5. In a Divisional Office, an inspection book is maintained wherein orders of a superior officer given during inspection are noted and got confirmed.

RESUMED ON FRIDAY—26TH OCTOBER 1956.

6. It is not brought to my notice that any such book is being maintained in the Vidhana Soudha Office. I have given series of oral orders during my inspection. Only one order, dated 14th January 1956 given during inspection was got confirmed. I did not enquire why the other orders were not got confirmed. I used to make frequent inspections and see that my oral orders were implemented.

7. I have not issued any written instructions as regards constructional matters. I have issued such instructions regarding accounts matters.

8. All the establishment sanctioned in the first order, dated 24th September 1952 was working when Mr. Muniappa took charge. The

Witness No. 3.

Accounts Superintendent and the Cashier must have been posted some days later.

9. The Financial Assistant was sanctioned by Government Order, dated 18th August 1954. I did not ascertain whether the inspection of the Vidhana Soudha Division for the financial year 1953-54 was done or not. Such inspection is done usually three or four months after the close of the year. Since I had to go about from district to district to inspect work, I did not make this enquiry. After the Financial Assistant took over charge, he did not put up a programme of inspection in 1954. After I took over charge, the Financial Assistant had drawn up programme of inspection of other divisions, but he had not included the Vidhana Soudha Division. I did not ask him to inspect the Vidhana Soudha Division. The inspection report by the Accountant General made in July-August 1953 was not brought to my notice. Till June 1955 no inspection report of the Vidhana Soudha Division by the Accountant General was brought to my notice. I did not enquire after I took charge whether the Accountant General had inspected the Vidhana Soudha Division.

10. I had realized the importance of maintaining the full accounts for the Vidhana Soudha Division and I was impressing on the Special Engineer the necessity to maintain proper accounts. It was only after the Accountant General's inspection report was brought to my notice that I asked my Financial Assistant to inspect the Vidhana Soudha Division. The Financial Assistant made the inspection two or three months after I instructed him to make the inspection. I did not ask him to make the inspection immediately. *I did realize the seriousness of the situation.* When I asked the Financial Assistant to inspect, it meant that he must do it immediately because there were Accountant General's audit notes. I did not ask his explanation why he did not do the inspection for three months. There is no reason for this.

11. Along with the progress reports, I was receiving outlay statements but not sub-head-war. I did not insist on sub-head-war statements because we are not getting from any division. Without sub-head-war statements it was not possible for me to know the expenditure on the several sub-heads and to ascertain whether there were any excesses.

12. It is necessary for the Chief Engineer to know whether there are any excesses during execution of the work and that can be ascertained from sub-head-war outlay statements. I did not know that the Rs. 50-lakh estimate was being exceeded till the Rs. 130-lakh estimate was submitted to me.

13. The Rs. 130-lakh estimate was submitted by me to Government in July 1955. This estimate was returned to the Special Engineer direct because it needed some corrections. The Special Engineer made certain corrections in the estimate but did not submit the corrected estimate through me but sent it direct to the Government.

14. My attention is drawn to the statement,

"The detailed estimate for Rs. 130 lakhs has been carefully prepared."

in my inspection note dated 7th June 1956.

My office had scrutinized this estimate.

Q.—Did your office put up a note of scrutiny to you ?

A.—I will verify from the record.

Q.—What is the basis for the statement 'carefully prepared' ?

A.—I asked the Special Engineer to prepare a detailed estimate carefully providing for all items of work so that there should be no excesses when the building was completed.

Witness No. 3.

The attention is invited to the following statement in the said inspection note :

> "that the work should be completed within Rs. 130 lakhs should be the main responsibility, and if every item is critically scrutinized and economy exercised it shall be possible to work it out and complete the building within this amount."

Q.—What prompted you to make this observation ?

A.—Because I found that certain elaborate carving and architectural finish was being given which I had been telling them to cut down to a minimum.

Q.—Was this beyond the provision made in Rs. 130-lakh estimate ?

A.—Yes.

15. There were other items also in which the provision in the estimate was being exceeded, for example, garage extension, elaborate flowering work, special type of domes involving special stone veneering and intricate construction.

16. The whole construction was over and finishing work was being done at the time of inspection note. For four or five months prior to the issue of this inspection note, I had been warning the Special Engineer during my inspections that he was exceeding the provision in the estimate and that he must minimise the cost. These instructions were oral. When those instructions were not being seriously attended to, I had to issue this inspection note.

17. In the sanctioned plan and elevations, various alterations in architectural designs have been made. The Government Architect used to prepare designs on the instructions of the Chief Minister and get them approved by him. He then used to pass them on to the Special Engineer for execution. *The Special Engineer used to execute them without my prior approval. I had no say in the matter.* I had made several suggestions for modification with a view to economy. But they were not accepted except in one case, *i.e.*, the R.C.C. parapet wall on the second floor.

18. Five work slips were sent to me by the Special Engineer in September 1956 involving an excess of about Rs. 26 lakhs over the sanctioned provision in the corresponding items. I have seen these work slips. They are not yet disposed of. When the Special Engineer anticipated excess during execution, he should have sent the work slips at that stage and not after completion of the work. I believe the Special Engineer has sent these work slips because of the warning in my inspection note of the 7th June 1956. The work must have been in progress easily for five or six months before the work slips were sent. In June 1956, these excesses were not brought to my notice under several sub-heads and the excesses over the total sanctioned estimate were also not brought to my notice.

19. *After the dressing of the pillars was completed, practically all the pillars are redressed.* At that time I warned the Special Engineer that this will involve very heavy cost and that only such work should be done as was absolutely necessary.

20. In the absence of a 'C' register it is not possible to find out the actual excess expenditure over a particular item. But an experienced engineer who is executing the work can easily find out whether he is exceeding the sanctioned estimate.

21. There has been excess expenditure incurred in pulmani and dressing works over and above what is provided for in the sanctioned estimate.

22. When the proposal for the special type of ceiling material for the Houses of Legislature was placed before the Technical Committee, the extra cost involved was not brought to its notice by the Special Engineer. The Technical Committee did not enquire from

him about the probable extra cost. The question whether the Assembly Halls should have sound absorbing roofing or not was not before the Technical Committee. They were asked to choose between the several materials placed before them for that purpose and the advice was given. The sound absorbing system had already been finalized by the Chief Minister on the proposals of the Government Architect.

23. I did not make a report to the Government that the Special Engineer was exceeding the sanctioned provisions in spite of my warnings.

RESUMED ON SATURDAY—3RD NOVEMBER 1956.

24. The staff given to the Vidhana Soudha Division when it was attached to the Buildings Division, Bangalore, was sufficient for the preparation of the detailed estimates.

25. In view of the Government Order dated 18th August 1954, my view is that the inspection of the Financial Assistant takes the place of the inspections of the Chief Engineer and the Comptroller. I have sent up to Government a proposal for modification of the form of inspection to be done by the Financial Assistant. The inspection done by the Financial Assistant is not in accordance with the existing form.

26. The duty of the Chief Engineer to make inspection in accordance with Form B has now been delegated to the Deputy Chief Engineer by Government Order dated 4th March 1954. I rely on para 3(iv) of the revised functions and powers in the annexure to the Order. I also rely on para 5.

27. *Q.*—Do you consider the inspection in Form B a routine matter ?

A.—If by ' routine ' it means that it is not of much importance then I do not say that it is a routine inspection.

Attention of the witness is drawn to the following in the main order :

" With a view to relieving the Chief Engineer of some amount of routine work in his office and in the Department. . . . "

Q.—What do you understand by ' routine work ' in this order ?

A.—By ' routine work ' I understand ' periodical work of inspections '.

28. I find that the Deputy Chief Engineer has not inspected the Vidhana Soudha Division.

Q.—Did you ask the Deputy Chief Engineer to inspect the Vidhana Soudha Division after you received the Accountant-General's inspection report from the Government ?

A.—It was one of the duties of the Deputy Chief Engineer to inspect the Vdhana Soudha Division as he was in charge of all correspondence pertaining to the Vidhana Soudha.

Q.—Did you take any steps to see that the Deputy Chief Engineer makes this inspection ?

A.—I was so busy with several works of the Department that I had no time to look to these details.

Q.—When you took over charge or at any time thereafter, did you ascertain whether the Vidhana Soudha Division was inspected by the Chief Engineer or his delegate for the financial years 1952-53 and 1953-54 ?

A.—I did not enquire.

Q.—Are the accounts of the Vidhana Soudha Division being maintained in the forms prescribed by the Accounts Code?

A.—I have not seen them.

29. *Q.*—Did the Special Engineer complain to you at any time that he had no sufficient staff to keep proper accounts ?

A.—He did not complain to me about the inadequacy of the staff. When the Accountant General reported that

accounts are not in a satisfactory state and are in arrears, the Special Engineer asked for staff to clear the arrears and the staff asked for was sanctioned by Government with some reduction.

30. *Q.*—For the large labour employed on Vidhana Soudha works, do you consider that the staff in the Division Office for checking the nominal rolls was adequate ?

A.—I have not looked to the magnitude of the work since sufficient staff was posted for this work and I believe that it should have been sufficient for them. At no time, the Special Engineer complained to me that he wanted extra staff for this special work.

31. *Q.*—You noticed during your inspections that there were wide deviations from the sanctioned estimate involving extra cost. Was this brought to the notice of the Government ?

A.—No estimate had been technically sanctioned. When I noticed wide deviations in the work as per instructions given from time to time by the Chief Minister and when I found that no detailed estimate had been prepared, the first step that I took up was to prepare a detailed estimate for the full Building and I submitted it to Government for sanction. I wanted to send a complete estimate to Government apprising the Government of the total cost. Hence no individual reports were made.

Q.—After the estimate was sanctioned in September 1955, were there no deviations and if there were any, were they submitted to Government for approval with the estimates ?

A.—There were some deviations effected which were as per instructions of the Chief Minister. No report was made to Government. The Special Engineer was asked orally to meet excesses in the sanctioned estimate or send work slips for unavoidable items.

32. *Q.*—Did you satisfy yourself that the deviations were made according to the orders of the Chief Minister ?

A.—Yes, because most of the instructions were given by the Chief Minister in my presence and the remaining instructions were communicated to me orally by the Special Engineer and the Government Architect.

Q.—When the instructions were given, you had an idea of the excess expenditure involved ?

A.—I had no idea of the excess expenditure involved.

Q.—Did you care to ascertain the probable excess under each major deviation ordered by the Chief Minister ?

A.—The major deviations were in architectural features. I asked the Special Engineer to meet the excess out of the savings on other items. It is only when I found that there were excesses in garages, I asked the Special Engineer to stop the work in spite of the order of the Chief Minister to the contrary. The Chief Minister subsequently told me that the garages was a necessity, and it may be proceeded with and it may be covered by a supplemental estimate.

Q.—What were the heads under which savings were possible ?

A.—Savings were possible under masonry, concrete work and R.C.C. work.

33. In March 1955, when Rs. 130-lakh estimate was submitted to my office, there was considerable masonry work, R.C.C. work and cement-concrete incomplete. At some places, the ground floor verandah had not been done, at some places the walls had gone up to

second floor level and in the Assembly and Council Halls, the walls had not gone up to top level.

34. I am not able to find out the notes, if any, of scrutiny of Rs. 130-lakh estimate in my office.

35. *Q.*—Were you aware of the fact that while sanctioning the estimate of Rs. 50 lakhs, the Government had issued a direction that expenditure shall not exceed Rs. 50 lakhs.

A.—I was not aware of this for about one or two months after I took charge. I learnt of this when the Public Works Department Secretary told me orally that no detailed estimate had been sanctioned, and also by the Accountant General's letter putting the expenditure under objection. I, therefore, insisted on a detailed estimate being submitted to Government.

Q.—When it came to your notice that Rs. 50-lakh estimate was being exceeded, did you make a report to Government?

A.—I did not make a report as I was getting a detailed estimate prepared shortly.

36. *Q.*—Have you any record of the date of your inspections of Vidhana Soudha Works?

A.—I have not kept a record of the Vidhana Soudha Works because it is headquarter's inspection which I was doing very frequently.

37. As regards the several points on which the Committee had furnished me with questions and statements, I have obtained the explanations of the officers concerned. I will return the statements and the copies of the explanations by Tuesday. I had no time to check up the explanations personally.

38. As regards the advances to Kempiah Sons & Co., the Contractor for Accountant General's Office Building, it was against the Codal rules to make such advances. The making of such advances was not brought to my notice by the Special Engineer. The Special Engineer continued to make these advances in spite of the remarks in the inspection note of the Financial Assistant calling upon him to show the authority under which the advances were being made. I have asked the explanation of the Special Engineer and asked him to show cause why disciplinary action should not be taken against him. I will furnish a copy of that letter to the Committee.

39. *Q.*—Is it not a fact that the entire accounts staff and the Divisional Accountant have been transferred to you completely since 1953?

A.—Yes.

Q.—Does this not make the Chief Engineer responsible for the proper maintenance of accounts and internal audit?

A.—The Divisional Officer is entirely responsible for the maintenance of the accounts, and rendering accounts to the Accountant General in the prescribed forms. The Chief Engineer exercises general and concurrent control in conjunction with the Accountant General over accounts matters.

RESUMED ON MONDAY—19TH NOVEMBER 1956.

40. Even for the Rs. 130-lakh estimate I was not able to trace the notes of scrutiny.

Q.—May we draw an inference that no such scrutiny was made?

A.—The estimate was under correspondence with the Special Engineer for about four months before it was finally submitted to Government in July 1955. The file of the correspondence is in the office. But these notes are not there. They will have to be traced.

Witness No. 3

The Chief Engineer has got staff for scrutiny of estimates state-wise. There is no special staff for Vidhana Soudha.

41. While the Rs. 130-lakh estimate was under correspondence with the Special Engineer, he wanted to increase the estimate due to some further work or some items. *I told him to restrict it to Rs. 130 lakhs.*

42. I am not aware of any detailed estimates for Civil Works prepared by the Assistant Engineers amounting to Rs. 115 lakhs and they were reduced to Rs. 102 lakhs by the Special Engineer while submitting the Rs. 130 lakhs estimate to me.

43. *Q.*—Would it be correct to say that the Special Engineer was trying to keep his superior Officers in dark about the cost of the project?

A.—The Special Engineer was under a bounden duty to apprise his superior officers about the actual cost. He should have brought the real facts to my notice. But I cannot say why he has not done so.

44. It is impossible to construct the end domes of its present size for Rs. 20,000 regardless of the architecture. The secondary domes near the Central Dome cannot be constructed for Rs. 10,000. Out of the 69 items in the sanctioned estimate, excesses have been shown in about 47 items.

45. These excesses for which work slips have been submitted to me covering an excess of about Rs. 26 lakhs must have been continuing from about the time the Rs. 130-lakh estimate was submitted.

46. *Q.*—Now that the Building is almost completed, what do you think would be the approximate cost for civil works?

A.—As per approximate figures furnished by the Special Engineer informally and as per discussions with the Executive Engineers, *the revised estimate is likely to go to Rs. 156½ lakhs including services.*

47. The data sheets are necessary for the purpose of controlling the execution of the work economically and also for the purpose of audit by the Divisional Accountant when he checks nominal rolls before payment and also by the Accountant General. The first two purposes cannot be served if the data sheets are prepared after execution.

48. As the full payments have not been made to piece-workers, the balance of the payments will be made on the basis of the finalized data sheets. Only a few data sheets have been approved. The data sheets that were submitted have been returned as they require further clarification.

49. The function of the Technical Advisory Committee for the Vidhana Soudha is advisory. According to me, the advice of this Committee is not to be sought in the matter of acceptance of tenders. The opinion of the Committee is only recommendatory. Whatever the Committee may say, the Special Engineer has no power to place orders without the sanction of the Chief Engineer or any higher authority, as the case may be.

50. As a practice many tenders were placed before the Technical Committee for their opinion. Some instances have come to my notice where the orders have been placed without the prior sanction of competent authority and, in some cases, without adequate provision. When I received the relevant papers, I moved the Government for appropriate sanction. I had given oral warning to the Special Engineer not to repeat such acts.

51. Whenever the proposals were placed before the Technical Committee, it was under the impression that they are within the

Witness No. 3

financial limits of the estimate. The financial implication of each proposal placed before the Committee were not brought to its notice.

Q.—Did the Committee ask for the financial implications of the proposals placed before it any time ?

A.—No. The Committee discussed the matters as per agenda.

52. Before 1st December 1954 the Special Engineer pointed to me in the presence of the Chief Minister that the tenders for flooring had been received but had not been approved. The Chief Minister told me to dispose of the matter early. I asked my office to put up papers and they put up the office note together with the letter of the Special Engineer, dated 16th November 1954 and the quotations. I passed an order recommending acceptance of the tender of the National Cement Flooring Company, Mysore. This was on 1st December 1954. Letter No. 1003—V. S., dated 1st December 1954 of the Special Engineer was received on 1st December 1954 in my office but was never placed before me. I learnt of it only when it was shown to me by the Enquiry Committee and I am going to take action in the matter. I passed the order, dated 1st December 1954 after going through the tenders and the comparative statement. I do not recollect whether I then knew that the Technical Committee was to meet the following day because many times I used to get the intimation on telephone.

53. The last two sentences of the letter No. 1003, dated 1st December 1954 are read out to me. Still I say that this letter was not brought to my notice when I passed the order or at any time thereafter. I do not tolerate such statements from subordinate officers and if the letter had been placed before me, I would have immediately taken action against him.

54. On an examination of the tenders I thought that the rates were reasonable and there was sufficient competition for the work. If fresh tenders had been called for, it was possible that these three firms would have colluded to raise the rates and there would have been a delay of about two or three months. *I did not ascertain the rates for such work.* But I was satisfied from my experience. I did not split up the work between two or three contractors as the contractor had to instal the machinery and by such bifurcation the tenderer might not have accepted bifurcation.

55. The order passed on letter No. 69, dated 14—15th April 1955 of the Special Engineer is seen by me. This is not an order approving the proposals in that letter but it is an order to start the flooring work immediately. At that time the flooring work was not commenced though I had brought that to the notice of the Special Engineer. Therefore this order was passed.

56. Although red tiles for the office floors had been prescribed, the Special Engineer got mosaic flooring done for the entire third floor and I objected to it. The Special Engineer replied that in the third floor Ministers' rooms had not been finalized and that in order to avoid future trouble, he did the mosaic flooring.

57. When mosaic flooring is done, carpets are not necessary. The Special Engineer should not have ordered carpets for the rooms having mosaic flooring.

58. No orders have been passed on Special Engineer's letter No. 134—V. S., dated 3rd May 1956 seen by me.

59. During one of my inspections I noticed that tiles of two separate trade marks are being used. They are respectively the MYSINDIA and the COIMBATORE tiles. I do not know whether the tiles manufactured in Bangalore bear any trade mark.

Witness No. 3

60. When the work had sufficiently progressed, I was told at one of the inspections that the contractor has to bring tiles from other places to cope up with the work. I was never aware that cement was being sent out from Vidhana Soudha for manufacture of the tiles out of Bangalore.

61. The deviations in the flooring contracts were not communicated to me for my approval.

62. It was not possible to manufacture the tiles departmentally as it involved purchase of machinery and employment of skilled labour and skilled supervision also. By getting tiles manufactured at site by the contractor, the intention was to get the quality of tiles assured.

63. The excess of work under the allied items such as dadoing, skirting or mosaic work for architraves, etc., has not been brought to my notice and my approval has not been obtained. Under this category, some work is being done departmentally.

SATURDAY—20TH OCTOBER 1956.

Witness No. 4.

SHRI J. MOHAMED IMAM, *Member, Mysore Legislative Assembly, states*:—

To a certain extent it is correct that the loans taken from the Centre for irrigation projects were diverted for the construction of the Vidhana Soudha.

2. In my view there can be no objection if the Houses of Legislatures and the Secretariat are housed in the same Building. In my view, the expenditure on this Building should have been minimum, particularly in view of the fact that the expenditure has to be made from borrowed funds. It should have been a less ambitious scheme.

3. There is some justification for spending money on decorations and embellishments, etc., for that portion of the Building which is intended to house the Legislature. But the other portion, which is intended to be used for Secretariat and offices, might have been of a more simple type.

4. From the point of view of prudent finance, this huge expenditure on the Vidhana Soudha is not justifiable. If I had been convinced that the amount available would be spent on amenities such as roads, bridges, wells, communications, education and other amenities, etc., this money could have been better utilised. But I find that under the present financial policy, a large amount of money is being spent on many ideological schemes which yield no results and in increasing expenditure on staff, establishment, etc. I would prefer money being spent in this manner rather being spent on ideological schemes which in my opinion do not directly benefit the people.

5. I do not approve of the expenditure of the order of Rs. 25 lakhs to Rs. 40 lakhs on architectural effects and embellishments.

6. This scheme would entail a revenue charge of about Rs. 17 lakhs a year. This is therefore a very unsound proposition.

7. By construction of this Vidhana Soudha and the Accountant-General's office, the whole place has become congested and in a place like Bangalore we need open spaces as lung spaces.

TUESDAY—23RD OCTOBER 1956.

Witness No. 5.

SHRI B. V. NARAYANA REDDY, *General Manager, Bank of Mysore, Ltd., Bangalore, states* :—

I was a member of the Mysore Finance Enquiry Committee.

2. In a work of this magnitude executed departmentally, the first essential is to have detailed estimates and proper organization for execution and for accounts. The head of the State or the Minister of the Department concerned should not interfere with the day-to-day execution of the work. Such interference is subversive of discipline and is likely to engender a sense of irresponsibility in the officers concerned.

3. It would have been very much better if two buildings had been put up separately for the Legislature and for the offices. For Secretariat and other offices, I would prefer a plain building without any ornamentation. This heavy expenditure on ornamentation of the building is a criminal waste of money and, besides, is quite out of place in an office. I do not think that all this expenditure was called for, was necessary or can be justified.

4. A building of this magnitude should have been located in a much bigger area. As it is, there is hardly sufficient ground between the Vidhana Soudha and the Printing Press on the South, the Public Offices and the Vidhana Soudha on the East, the Accountant-General's Office on the West and the Residency on the North.

5. The employment of a large contingent of night labour was absolutely uncalled for. There was no emergency to justify such an expenditure.

WEDNESDAY—24TH OCTOBER 1956.

Witness No. 6

SHRI T. RAMASWAMY IYENGAR, *Special Chief Engineer for Major Irrigation Works in Mysore, Bangalore, states :—*

I was Superintending Engineer, Tumkur Circle, which included Bangalore District from 3rd December 1951 to 24th March 1954. By 14th March 1954 Mr. Muniappa had become Superintending Engineer and since then I did not have jurisdiction over the Vidhana Soudha Division.

2. When I received a copy of the Government letter dated 28th July 1952, I gave directions to the Executive Engineer, Buildings Division, to call for quotations for materials, and to put up trial pits. Till October 1952 Mr. Venkanna, Special Chief Engineer was in direct charge of this Building scheme. I am not sure whether it was till October or till some earlier date. I did not take any steps for requisitioning and posting of the staff for this Division. I received a copy of the Government Order dated 24th September 1952 sanctioning establishment for the Vidhana Soudha Division. At that time I considered that the staff was adequate for execution of the work departmentally. No separate designs and estimates sections were formed as the Executive Engineer, Buildings Division, had to prepare the designs and estimates, with the staff available. At the earlier stages it was necessary to ascertain the bearing pressures and the foundation sections. This must have required about two months. Another two months were required for finalizing the foundation pressures to be adopted for the Building. The digging of foundation was commenced just before Mr. Muniappa took over charge. The ground plan submitted by the Government Architect was the basis for digging the foundation and no separate foundation plan was prepared. I do not know whether any foundation plan was prepared at any subsequent stage.

3. No stage estimate was prepared. In July or August 1953 an estimate was prepared. It was prepared in the Office of the Executive Engineer under my directions. I cannot say whether the directions given by me were carried out by the Executive Engineer. At that time about 2/3rds of the foundation had been filled up. I got that estimate on 5th October 1953. It was for Rs. 50 lakhs. I returned this estimate to the Executive Engineer on 19th October 1953, because the detailed plans and cross-sections of foundations at various points with detailed longitudinal sections did not accompany the estimate. The detailed plans of foundations as laid out with lengths and off-set levels of foundation and details of raft-foundations did not accompany the estimate. The estimates submitted were without any basic plans and seemed very approximate. Separate detailed estimates for ground floor, first floor and second floor and the domes were directed to be prepared with separate plans and cross-sections. I pointed out that there was no provision for water supply, sanitary fittings, electrical fittings and I gave directions that these detailed estimates should be prepared in consultation with the departmental officers concerned. I also asked for details of the lumpsum provisions said to have been omitted from the estimates at the instance of the Chief Engineer of Mysore. I also directed that the details of items 65 to 70 should be furnished. I further directed that fresh detailed estimates in accordance with the directions aforesaid given must be resubmitted. I asked him to submit such estimates immediately.

4. At that time I thought that the Executive Engineer should have prepared such detailed estimates in the first instance. He had the necessary staff for that purpose.

Witness No. 6.

5. The Executive Engineer took 2 months and 25 days to resubmit the estimate. He did not comply with my directions. He sent back the estimate to me as it was. I did not again return the estimate to the Executive Engineer as there was pressure from higher authorities for early submission of the estimate. The Special Executive Engineer had given certain reasons for not complying with my directions. They were given in the letter dated 7th January 1954. He did not give me any other reasons which are not given in this letter of 7th January 1954. I was not satisfied with these reasons. I forwarded these estimates to the Chief Engineer for submission to Government together with a copy of the letter of the Special Engineer dated 7th January 1954 and my letter to the Special Engineer, dated 19th October 1953. My forwarding letter is dated 23rd January 1954.

6. When the estimate was first submitted to me, I did not scrutinise the rates therein because I carried the impression that the estimate must have been scrutinized by the Chief Engineer because the Special Engineer reported to me that the Chief Engineer had instructed him to omit the items stated in para 7 of the letter, dated 7th January 1954. On the second occasion also, *i.e.*, in January 1954 I did not scrutinise because the same estimate was resubmitted.

7. When I forwarded these estimates to the Chief Engineer I did not report to him that I had not scrutinised the rates.

8. It is a rule that the estimate should be checked in my office in all details before they are forwarded to the Chief Engineer. This was not done in this case because—

(*i*) several details were omitted in the estimates;
(*ii*) detailed estimates were not prepared according to plans; and
(*iii*) the specifications were not accepted by the Government Architect by countersigning the estimate without which actual estimates on design could not be accepted as correct.

9. I pointed out to the Chief Engineer that the rates would vary as the Special Engineer contemplated finalising the drawings during execution.

10. I did not point out to the Special Engineer in my letter, dated 19th October 1953 that he must obtain the concurrence of the Government Architect, because I did not then realize that the Government Architect would be changing details of designs from day-to-day. This I realized when the work had reached at about the ground-level. I realised this after the estimate was submitted by the Special Engineer in January 1954. I discovered this during my inspection.

11. There are some records of my inspections of the Vidhana Soudha Building. I had not inspected the office. That inspection was due in March 1954.

12. I know that for departmental execution of works of large magnitude involving an expenditure of Rs. 40 to Rs. 50 lakhs, accounts must be maintained in great details. I did not ascertain whether the accounts of the Vidhana Soudha Division were properly maintained.

13. I knew that Mr. Muniappa was not in charge of execution of any building work of any magnitude. Mr. Muniappa was a Mechanical Engineer. The accounts staff necessary for maintaining of proper accounts of a building project of this magnitude is:—

One Divisional Accountant,
One Store Keeper,
Five or six Accounts Clerks.

In addition, supervisors in charge of the work have to maintain certain accounts.

Witness No. 6.

14. When the work was started, there was not this full complement of staff. The Divisional Accountant was not there when the excavation work was started. I do not know how many months thereafter the Divisional Accountant took charge. I went on the assumption that when a Division was formed, necessary accounts staff must have been provided.

15. Mr. Muniappa worked under me for 1½ years at Kolar.

16. In the preparation of estimates Mr. Muniappa was in need of technical help. His Assistant Engineers were very good people and they could have prepared detailed estimates correctly if they were entrusted with the job. I know that a detailed estimate for the project was prepared. It was for about Rs. 80 lakhs. That estimate was not submitted to me. That estimate was prepared sometime in August or September. I was consulted informally as regards designs of foundations and structural designs of the building and not about architecture. I do not remember if I was consulted about the rates.

17. For the rates for non-scheduled items in the estimate, the basis must be the proposals of the Assistant Engineer or of the Executive Engineer. These rates are to be worked out on the basis of data statements and these statements must accompany the estimates for non-scheduled items. I did not ascertain whether such data sheets were prepared in the Executive Engineer's Office. When I returned the estimates on 19th October 1953, I did not ask the Special Engineer to submit data sheets of non-scheduled items. I did not call for these data sheets as I did not want to check the estimates for the reasons already given, namely, the interference of the Chief Engineer with the estimates.

18. Although the Chief Engineer had interfered with the estimates, according to my belief, I wrote the letter, dated 19th October 1953 as I wanted all those particulars to be included in the estimates. It occurred to me that data sheets were as important as the particulars I sought by my letter dated 19th October 1953. I did not ask for the data sheets because I thought that the rates must have been scrutinized by the Chief Engineer.

19. In October 1953, I knew that apart from the services omitted, the project could not be completed in Rs. 50 lakhs. Therefore, I returned the estimates to the Executive Engineer on 19th October 1953. I pointed out to the Chief Engineer that the project would cost more than Rs. 50 lakhs apart from services omitted. But I did not give him any idea of what it would cost.

RESUMED ON TUESDAY—30TH OCTOBER 1956.

20. In September 1953, may be on 17th or 18th, Mr. Muniappa came to my office and told me that he had instructions to reduce the estimate to Rs. 50 lakhs and therefore he was going to reduce it. From his talk I carried the impression that the instructions must be of the Chief Minister and the Chief Engineer. I told him clearly that it was impossible to reduce the estimate to Rs. 50 lakhs and that I would not agree to the reduction. Mr. Muniappa told me that it was impossible to get an estimate sanctioned for more than Rs. 50 lakhs and that he would take the responsibility for the reduction. I then told him that I would return the estimate if it is submitted for Rs. 50 lakhs.

21. I asked him how he proposed to reduce the estimate to Rs. 50 lakhs. He told me that he would delete the essential services and that he would reduce the rates for items and he added that if I sent up this estimate, he would see that it is sanctioned. In spite of this, I returned the estimate on 19th October 1953.

Witness No. 6.

22. In 1953 it was the responsibility of the Public Works Department to maintain proper accounts and to arrange for internal audit, as the accounting staff and the Divisional Accountant were transferred to the Public Works Department. It was the responsibility of the Executive Engineer to arrange for sufficient staff for maintenance of full accounts and internal audit. If he had made any proposals, it was for me to scrutinize and forward them. So far as I remember, the Executive Engineer *did not* make any proposal for additional accounts staff.

23. I do not remember if the Accountant General had made any inspection of the Vidhana Soudha Division in the year 1953. I have made several inspections of the Vidhana Soudha Works but I did not inspect the office. I found that the rates of actual execution were not worked out.

24. I objected several times to the Executive Engineer purchasing stores without reference to the Stores Purchase Committee or calling for quotations. No estimate of the quantities required was prepared by the Executive Engineer, and the purchases were being made haphazard.

25. I was not consulted when Mr. Muniappa was transferred to the Vidhana Soudha Division. My opinion then was that he might have been all right in a maintenance division but not for a work of this magnitude. He had not at all handled such works.

26. I did not make any separate report to the Chief Engineer that the Special Engineer was not carrying out my directions. In forwarding his proposals, I used to make my own observations.

27. My view is that Chapter XII of the Public Works Account Code applies to annual inspections. I have not taken any steps as required by para 727 of the Code.

28. During my time, the labour strength was from about 800 to 1,000. I have not checked the labour employed. I cannot therefore deny the suggestions that it was about 5,000. I do not remember to have examined the daily labour reports. I did not enquire whether there was adequate staff to audit the nominal rolls. I did not enquire whether any check measurements were taken.

29. *Q.*—What was the inspection of works that you made ?

A.—I used to check the quality of works, the structural designs and proper execution of the works.

By proper execution of the works I mean whether cement concrete was properly mixed and properly laid and whether the masonry work was properly done, *i.e.*, whether it was done in plumb and whether joints were properly filled up. I observed that this work was being done properly.

30. By quality I mean the finish of the work, *i.e.*, dressing of stones and cutting of floral designs. The structural designs were not being submitted to me before execution. I had one occasion when I had to get the structural design modified during execution. That was for the reinforcement for the footings of the column foundations on the southern side. I used to go for inspections once a month, probably twice in some months. There is a record of one or two inspections. *In practically all the inspections I discovered that more reinforcement than necessary was being used.* I orally asked them not to use more reinforcement. I ordered them orally not to execute any reinforcement work without the structural design being submitted to me for approval. No designs were submitted to me for approval. I did not report to the higher authorities this flouting of my orders. I did not ask the explanation of the Executive Engineer for flouting my orders.

31. I had found that the Special Engineer was recommending payment of higher rates to labour maistries than were justified. He

was engaging them, making payments and then asking for approval. Although I knew that the higher labour rates were recommended for payment, I did not examine the nominal rolls to find out what rates were being paid.

32. I do not know who prepared the estimates for the Accountant General's Office building. The tender notification was issued about the time the Vidhana Soudha work was started. I do not remember when the tender was accepted. I believe that these tenders received were sent by the Special Engineer to the Chief Engineer direct. Normally, they should have passed through me. They were returned by the Chief Engineer to me for my remarks. This was before the Rs. 80-lakh estimate was prepared. I do not remember whether these rates were taken as the basis for preparation of Rs. 80-lakh or the Rs. 50-lakh estimate. When this Rs. 50-lakh estimate was submitted to me, I did not compare those rates with the rates of the contract of the Accountant General's Office building. I did not compare the rates with the rates of the Bangalore Buildings Division.

WEDNESDAY—24TH OCTOBER 1956.

Witness No. 7.

SHRI V. T. SRINIVASAN, *Retired Accountant General, Nagpur, residing at South End Road, Basavangudi, Bangalore-4, states :—*

I joined service as a probationary Assistant Comptroller, gradually rose to the position of Comptroller, Mysore, which office I held for four years when the audit department was transferred to the Centre due to financial integration. *As far as I am aware, no building work of this magnitude has ever been taken up in the Mysore State for execution departmentally. The Public Works Account Code does not contemplate the execution of such big works departmentally. If a decision to execute the work departmentally is taken, it is incumbent on the authorities to see that proper arrangements are made for keeping all the necessary accounts from the very beginning.* Between the Chief Engineer and the Accountant General the organization on the accounts side and the procedure to be followed can be decided within about a month. *For a large work of this type, it would have been desirable to have a pre-audit account office on the spot to pre-audit all the payments, maintain all the accounts systematically, inspect all the stores and materials and help the executive to get through the work without the occurrence of irregularities of a financial nature.* I can quote in this connection the large work that was carried out departmentally in connection with the Jog Project, *i.e.*, the construction of the Hirebhasgar dam costing nearly a crore of rupees which was entrusted to the Public Works Department as a departmental work and a pre-audit office was located on the spot with a Senior Accounts Officer to have a proper maintenance of accounts and the pre-audit of bills relating to works and purchase of stores. *The need to have a pre-audit account office in the beginning itself is to prevent financial irregularities. If due to any defect in the procedure, irregularities occur, it will be very difficult at a later stage to fix responsibility or to properly disentangle the accounts relating to stores* and *materials used on the works and the detection of misappropriations or frauds becomes well-nigh impossible.*

2. The Executive Engineer is as much responsible for proper maintenance of accounts as for the due execution of the work. He cannot plead his ignorance or reliance on the accounts staff working under him as a ground to evade his responsibility.

3. Where there is a work of large magnitude to be rushed through, the pre-audit office must be located as close to the project as possible and a sufficiently heavy imprest must be available to the Executive Engineer to get through payments on exceptional occasions.

4. In my experience as an Accountant General, I have brought to the notice of the Government various cases of huge works started without estimates and they have been reported to the Public Accounts Committee. The Public Accounts Committee have passed very strong remarks stating that such things should not occur. These remarks of the Public Accounts Committee have been incorporated in Government orders issued by the Finance Department and concurred in by the Public Works Department of Government. They have been incorporated in circulars issued to all the Executive Engineers of the State, and *yet year after year the same sort of irregularities were being repeated without anything like disciplinary action being taken in any case to my knowledge.*

5. If there is a material departure from the original scheme, the modified scheme must be referred to the department concerned for administrative approval.

Witness No. 7.

6. When a large labour force is employed, it should be divided into suitably compact groups for supervision by the subordinates of the department and *preferably check numbers should be given.* This was done in the case of Hirebhasgar Dam Works, and is always done in the case of works in the Electrical and Railway Departments.

7. In the case of a large work where time is an important factor and the work is to be given on piece-work, it is not objectionable to divide the work among several tenderers at the lowest tendered rates if the Executive Engineer is of the view that the work should be split up for speedy execution of the work. In the case of a single work to be executed on contract if tenders are called, the work should be given to the lowest tenderer, other things being equal. If such a work is distributed among the lowest tenderer and the other tenderers, I would consider it improper. Such an action gives rise to a suspicion of distribution of patronage. If in any case such a work is distributed to a non-tendered contractor, it is highly objectionable.

8. *Maintenance of materials-at-site account is not a formal thing. If it is not properly maintained, it will give loopholes for fraud and misappropriation of stores.* Unless that account is maintained properly, it is not possible to ascertain the amount spent on any particular item of work and to control expenditure. If there is a detailed estimate, the Executive Engineer is in a position to keep the expenditure within that rate by comparing the sanctioned rates with the rates as executed. The rates as executed cannot be ascertained correctly unless the materials-at-site account is properly maintained.

9. *The register of works is the most important register which tells the Executive Engineer about the progress of expenditure on the works that he is executing.* If that is not maintained up-to-date, it means that he is absolutely ignorant of the outlay on the works that he is executing and the rates at which the works are being executed.

10. *A work should not be taken up departmentally unless it can be proved that it could be more economically executed, than by entrusting it to a contractor.* If works of such a magnitude are taken up departmentally, they should not be taken up without plans and detailed estimates (a perfect blue print). There should be a proper organization both for execution of the work as well as for the maintenance of accounts and audit of payments including the purchases of stores. These should be thought out and carried through before the work is started. *All this should precede and not follow.* When a work of such a large magnitude is done departmentally, the responsibility for maintaining the accounts correctly from the start should be laid definitely on the shoulders of the Executive Engineers. But there should be near him an audit office to pre-audit the payments for works and stores. *If there is constant interference by higher authorities in the execution of projects of this large magnitude, it is likely to take away the initiative from the executive authorities and promote irresponsibility and confusion in accounts.*

11. To have a proper check on the wasteful expenditure contrary to the Public Works Account Code, it is necessary that the Chairman of the Public Accounts Committee should be the Leader of the Opposition in consonance with the convention established in the British House of Commons.

THURSDAY—25TH OCTOBER 1956.

Witness No. 8.

SHRI S. V. RAMA RAO, *Superintendent, Power and Lighting, City Area, Bangalore, states* :—

I took charge of Bangalore Power and Lighting in April 1954. Before I took over charge the estimate of Rs. 12,15,400 was submitted to Government for sanction. There was a provision for more than 700 fans in this estimate. Government wanted this to be reduced, and the provision for floodlights omitted. By floodlights I mean exterior illumination. Government considered this estimate to be excessive and wanted it to be reduced as far as possible.

2. The estimate for Rs. 1,67,000 was for single language system. In that estimate the provision was made for 155 microphones for the Lower House and 75 for the Upper House, and 300 loud speakers for the Lower House and 150 for the Upper House. This provision was for 300 members in the Lower House and 150 for the Upper House. Besides this, there was a provision for 100 loud speakers for press reporters and galleries of both the Houses. There is no break-up of this provision for each House under this item. There is no separate provision for lobbies and Ministers' Chambers.

3. This estimate was modified to Rs. 95,541. In this estimate provision was made for 71 microphones for the Lower House and 31 for the Upper House, 80 loud speakers for members in the Lower House and 30 in the Upper House. Besides this, there was a provision for 30 loud speakers in the Lower House and 24 in the Upper House for Press Reporters and Visitors' galleries and lobbies and Ministers' Chambers.

4. The modified estimate was prepared by me. In the second estimate, the provision for microphones and loud speakers in the two Houses was made by me on the existing strength of the two Houses as told to me by the Secretary, Public Works Department. The provision was made by me for one microphone for two members. Loud speakers also were one for two, except in case of single seats. For the Ministers, separate loud speakers and microphones were provided.

5. In the revised estimate for Rs. 2,90,000 there is a provision for 127 microphones for the Lower House and 49 for the Upper House. For the Lower House, there is a provision for 146 loud speakers for members and Press Reporters and 30 loud speakers for the galleries and lobby. For the Upper House, the corresponding provision is 64 and 20. There is also a provision for 16 loud speakers for the Ministers' Chambers. There is in addition a provision for four microphones and 269 headphones and 269 selectors-units for the Lower House and four microphones for interpreters, 131 headphones and 131 selectors-units for the Upper House. The headphones and selectors are for the Press Reporters and Secretaries in both the Houses. For the Lower House there is a provision for 18 Press Reporters and 18 Secretaries. For the Upper House there is a provision for 14 Press Reporters and 14 Secretaries. In the Lower House headphones and selectors are provided for the Assembly Secretary and 6 Stenographers. The corresponding figures for the Upper House are 1 and 6. Thus the total headphones for the Lower House are 269 and for the Upper House 131.

6. These changes are made as per instructions of the Chief Minister confirmed and conveyed by the Special Engineer by his letter dated 26th December 1955. The instructions are to provide for about 200 members in the Lower House and about 100 in the Upper House. All these details were provided for in the estimates as per plans furnished to me by the Government Architect.

Witness No. 8.

7. Before preparing the estimate for Rs. 95,541, I had informally called for rates from firms dealing with this equipment, and the rates are based on that information. The estimate for Rs. 2,90,000 was prepared on 28th March 1956.

8. The estimate of Rs. 8,15,400 was sanctioned by Government in December 1954. Thereafter my Assistant Superintendent Mr. S. L. Arkeshwariah was sent by Government to Bombay, Delhi, Calcutta and Madras to study sound system and illumination of public and private buildings with a view to evolve detailed specifications for the Vidhana Soudha Works. He was on this deputation for two months and returned about the middle of April 1955. I also went for the same work for 10 days and returned in the first week of June. No written reports were submitted by either of us. Orally we reported to the Chief Electrical Engineer what we observed. After I returned I prepared detailed specifications for the Sound Reinforcement System and the specifications and the schedules were submitted by me to the Chief Electrical Engineer along with my letter dated 8th June 1955.

9. I did not go to Bombay and other places for studying the Sound Reinforcement System only. I cannot say whether the letter dated 8th June 1955 was sent before my return or after my return. These specifications were prepared as a result of the observations of Mr. Arkeshwariah. These specifications were prepared separately for the single language system and the dual language system. *The sanctioned estimate of Rs. 95,541 would have been sufficient for the single language system, on the specifications sent on 8th June* 1955. As *regards dual language system, I did not make any calculations.* In this letter of 8th June 1955 I had requested the Chief Electrical Engineer to obtain the sanction of Government to purchase the equipment without reference to the Stores Purchase Committee. I wanted to purchase the equipment according to specifications accompanying the letter of 8th June 1955, and not according to the original estimate. The reason for making this proposal was that the Houses of Legislature had to be ready by February 1956 and purchase through Stores Purchase Committee would cause delay of six months. *I cannot give any instances of such delay.* Even in purchasing this equipment without reference to the Stores Purchase Committee, the order could not have been placed before September 1955. The firm would take five months to supply the equipment and instal it. Therefore I thought that the Sound Reinforcement System could be installed by February 1956 if the orders were placed without reference to the Stores Purchase Committee. This request was turned down by Government. I learnt of this order by the end of July 1955. Thereafter, the Chief Electrical Engineer must have sent the indent to the Stores Purchase Committee. The tenders were received by the Chief Electrical Engineer on 5th November 1955, and these were scrutinised by me, and the scrutiny was submitted to the Technical Committee. A Sub-Committee of the Technical Committee examined these tenders. On 27th December 1955 I returned all the tenders to the Chief Electrical Engineer with a recommendation to place orders with Messrs. Union Radio and Appliances, Ltd., New Delhi, for Rs. 2,59,971-9-0 and with Messrs. General Radio and Appliances, Ltd., for five tape recorders costing Rs. 5,625.

10. *In the instant case we received tenders through the Stores Purchase Committee in less than three months from the date of indent.*

RESUMED ON MONDAY—29TH OCTOBER 1956.

11. The indent was sent by the Chief Electrical Engineer on 1st August 1955.

Witness No. 8.

12. Attention of the witness is drawn to item 3 in the proceedings of the Technical Committee, dated 8th August 1955.

Q.—How did this matter go before the Technical Committee in view of the Government Order dated 25th July 1955 ?

A.—I cannot say at this distance of time how this happened. I am not definite but I remember that I brought the Government Order to the notice of the Committee. The calling for short-time enquiry is consistent with the Government Order. I do not think that the Chief Electrical Engineer revised the indent in pursuance of this resolution.

13. The draft of the tender notification was sent by me to the Chief Electrical Engineer along with my letter dated 7th June 1955.

14. This draft notification contains items which are not provided for in the sanctioned estimate. The Chief Minister gave me instructions for all the items which are mentioned in this draft. I cannot say when he gave those instructions. I have not taken down any notes of the instructions of the Chief Minister. I do not know if I got them confirmed by the Chief Minister.

15. The particulars about the present strength of the two Houses at page 6 of this draft were given to me by the Special Engineer and the Architect. They were given to me orally during discussions. I did not verify from the Secretary, Mysore Legislature, whether these particulars were correct. I used to rely on the Special Engineer and the Government Architect solely who used to give me the requirements.

16. I did not inform the probable cost of this equipment when I submitted this draft. I did not prepare a note about the probable cost for the Technical Committee. When the indent was sent, the Stores Purchase Committee was not apprised of the provision for this equipment.

17. *Till 9th January 1956 there was no order to instal this three-language equipment.*

18. The proceedings of the Sub-Committee appointed by the Technical Committee indicate that the Sub-Committee proceeded on the assumption that it had to recommend purchase of three-language equipment. Tenders for one-language equipment were received but they were not considered. The Sub-Committee had its sitting on 17th December 1955.

19. From the proceedings of the Technical Committee dated 14th December 1954, I find that the Committee recommended a dual language system. After this resolution of the Technical Committee I did not proceed to prepare the revised estimate.

20. When I addressed the Chief Electrical Engineer in June 1955 for purchase of sound equipment without reference to the Stores Purchase Committee, I did not bring to his notice that the Technical Committee had recommended purchase of dual language equipment.

21. I did not consider it necessary to prepare a revised estimate because revised estimates are not prepared piecemeal and we wanted to submit a revised estimate after purchasing the equipment.

22. After the tenders were approved by the Technical Committee, the order was placed with the Stores Purchase Committee by the Chief Electrical Engineer. In that letter it was pointed out that the Chief Minister desired this equipment and provision will be made for it in the revised estimate.

23. The sanction of estimate 'M' for the establishment implies a sanction to execute the work departmentally.

24. As regards yard lighting, I have proposed 30 lights in place of 40 lights in the original estimate. I consider these 30 lights as minimum. No change is proposed in the type of fittings. The reduction in costs would be about Rs. 10,000.

Witness No. 8.

25. We had prepared an estimate for Rs. 99,000 for floodlighting. This was approved by the Technical Committee.

26. I will give tomorrow a list of equipment now provided for the kitchen and their cost, and the probable saving thereby anticipated. The electric hot water boiler is for cleaning utensils and supply of hot water for preparation of food. Five stoves of different capacity are provided. We have decided to buy one refrigerator of 10 cubic feet and one of 22. I have made the provision in the original estimate and this revised estimate according to my idea.

27. The approximate cost of a microphone is Rs. 530, loud-speaker Rs. 200, headphone Rs. 54 and a selector Rs. 37. This includes installation charges. The loud-speakers in Ministers' Chambers will cost about Rs. 100 each. These costs do not include the costs of common fittings.

28. The total estimates for electrical works amount to Rs. 15,79,810 as given in the schedule.* This does not include yard lighting estimated to cost now Rs. 40,000, because it is decided by the Technical Committee that the cost of yard lighting should be borne by the Electrical Department under "Interior Power and Lighting". An estimate of Rs. 78,000 for supply of 600 K.V.A. power supply to Vidhana Soudha was sanctioned by Government on 29th June 1955. This amount is not included in the Vidhana Soudha estimate because the Electrical Department supplies the power and gets revenue for it.

29. The costs of lifts is not included in these estimates. But the cost of electrical fittings for power supply up to the lifts is provided in these estimates. There will be no cost of civil works in addition to these estimates.

30. The excess of the revised estimate over the estimate of Rs. 8.15 lakhs is Rs. 5.15 lakhs. I will file a statement showing the excess of quantities, rates and amounts under each major item.†

31. No special type of wires has been used involving any extra cost. As regards fittings, the increase in rates in the revised estimates is mainly due to better type of fittings.

32. The increased number of fittings is due to the oral instructions of the Chief Minister, Government Architect and the Special Engineer.

33. In providing for lights and fans in the general office rooms in Vidhana Soudha, I have made a comparative study of the provision made in other offices in Bangalore. Such offices are Oriental Life Insurance Company Office, Accountant General's Office, Office of George Oakes, and Old and New Public Offices. The office building of the Accountant General is properly lighted. The illumination there is about 8 foot candles. The provision in Vidhana Soudha is about 10 as against the Technical Committee's requirement of 15 foot candles. In the Old and New Public Offices it is not even 2. The lighting there is not worth calling lighting at all. I did not enquire from the Accountant General or any of his subordinate officers whether the lighting was adequate or poor.

34. The lighting in the room in which I am giving evidence is about 2 to 3 foot candles. I consider this very inadequate.

35. If in a general office room in Vidhana Soudha, alternate lights are on, the lighting would be about 5 to 6 foot candles. But it would not be uniform. If the row of lights had been at the centre, the illumination would be about 5 foot candles. The offices usually close at 5 P.M.

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* Document No. 3, Page 93.

† Document No. 4, Page 96.

Witness No. 8.

RESUMED ON TUESDAY—30TH OCTOBER 1956.

36. I have filed a statement today showing excesses over original estimates. The lighting fittings referred to therein are for general office rooms and verandahs. The distance of electric lights in the verandah is about 30 feet. The provision for electric fans in general office rooms is at a distance of 10 feet. There are 710 points for fans provided, but fans are not purchased though there is a provision for about 216 fans in the Rs. 8.15-lakh estimate.

37. As regards lay-lighting, the original drawing showed lay-lighting 530 square feet for the Lower House. The lay-lighting as executed is 1280 square feet. The area for lay-lighting for the Upper House in the original drawing was 144 square feet. As executed it is 784 square feet. This revised work was executed in accordance with the requisition from the Special Engineer dated 17th July 1956.

38. The lighting of the Assembly Halls as provided in the Rs. 8.15-lakh estimate was 15 to 20 foot candles. Later on we referred the drawings to certain reputed firms for advice, and they suggested that an area of 900 square feet for the Lower House and 600 square feet for the Upper House was necessary to produce 20 foot candle illumination. The corrected drawings were then given to the Special Engineer. But the Special Engineer left larger openings. Consequently the areas of lay-lighting had to be increased.

39. The increase in number of lights for general office rooms and verandahs was made according to the drawings furnished by the Architect and the Chief Engineer.

40. As regards fittings I was asked to submit sample fittings for approval of the Chief Minister and I had to adopt the approved fittings.

41. The adoption of costlier fittings and the larger number involved a heavy excess over the sanctioned estimate. I did not obtain the approval of the Chief Electrical Engineer to adopt these fittings. His approval is obtained while placing the orders. The Chief Minister's orders were not in writing, nor were they got confirmed. The rule is that the oral instructions given by a superior officer must be got confirmed soon after.

42. All these materials were purchased through the Stores Purchase Committee after obtaining Government sanction.

43. The cost of wiring excluding the cost of mains and the fitting is about Rs. 46 per point. The cost in Accountant-General's office building is about Rs. 45.

THURSDAY—25TH OCTOBER 1956.

Witness No. 9.

SHRI P. K. SEN, I.A., AND A.S., *Accountant General, Mysore, Bangalore, states* :—

The first inspection was in October 1953. The principal points to which attention was directed were :

(*i*) the absence of technical as well as the administrative sanction ;
(*ii*) the taking up of a work of this magnitude departmentally ; and
(*iii*) the defects in the accounting system.

After this was pointed out, it was for the Executive Engineer to ask for adequate staff to do the work properly. This inspection report was sent to the Special Engineer in February 1954. Thereafter the letter dated 5th March 1954 was sent to the Secretary, Public Works Department. In reply to our letter, the Government in their letter No. P.W.D. 2367, dated 22nd July 1954 stated that regarding the calling of tenders, in view of the urgency and importance of the work, the work was being executed departmentally and calling for tenders at that stage would lead to complications and delay. Regarding the procedure for maintaining the accounts, it was stated in the same letter that the Chief Engineer had called for a detailed report from the Special Enginer, Vidhana Soudha and instructions would be issued to rectify the defects observed on its receipt. There was no additional posting of hands until May 1955.

2. The second inspection was made from 18th March 1954 to 29th March 1954. Up to March 1954 the total expenditure was Rs. 19.6 lakhs. We do not mention about the adequacy or otherwise of the staff in the routine inspection reports. When it is absolutely necessary, reference is made directly to Government. It is for the Executive Engineer to examine the adequacy of the staff and to take necessary steps to have sufficient staff to maintain accounts properly. This responsibility is all the greater when he is executing the work of a large magnitude departmentally.

3. As the letter dated 5th March 1954 was already sent to Government and no reply was received, it was not considered necessary to again write to Government about the irregularities detected in the second inspection which was conducted practically about the same time. It is not on every inspection report that a special letter is sent to Government, but only when there are very serious and persisting irregularities.

4. The third inspection was made in October 1954.

5. Thereafter there was a special inspection from 25th February to 5th March 1955, by the Deputy Accountant General, Works. The inspection report was sent to Government with a covering letter D. O. No. 327-VS—W.I., dated 18th March 1955. No reply was received from Government. Thereafter, there was another special inspection in February 1956. Various defects were noticed and suggestions were made to the Special Engineer for effecting improvement in the maintenance of the existing records with a view to meet the requirements of the audit. The Special Engineer agreed and promised to implement the suggestions. There was a subsequent inspection from 27th March 1956 to 31st March 1956 to see how far the suggestions had been carried out. It was noticed that nothing had been done to implement the suggestions. Thereafter I sent letter No. WI/VS/31, dated 30th April 1956 to Government. A copy was forwarded to the Secretary, Finance Department, and the Chief Engineer of Mysore. At the request of Government, there was a further inspection on 12th June 1956 to 16th June 1956 and the report was sent

to Government—*vide* my letter No. WI/VS/104, dated 2nd July 1956. The last inspection was from 25th August 1956 to 31st August 1956. There is no material improvement.

6. In the absence of initial account records, there could not be effective control of expenditure under several sub-heads during the course of construction. If these initial account records had been properly maintained from the beginning and reviewed regularly then and there by the Engineer Officers, there could have been probably scope for greater control over the cost of construction.

7. In the case of all big projects executed departmentally, to have control over expenditure as well as to ensure economy, first there must be an Accounts Officer under the Government who will control expenditure after internal pre-checking and concurrent audit by the statutory audit stationed at the project site. *No expenditure should be incurred before a detailed estimate is properly sanctioned.*

8. The Accountant General cannot stop the expenditure even if there are serious irregularities and even though his inspection reports are not attended to. All that he can do is to bring the matter to the notice of the Government and as a last resort to the notice of the Legislature through the Audit Reports.

SATURDAY—27TH OCTOBER 1956.

Witness No. 10.

SHRI M. A. PARASURAM, *Lalbagh Road, Bangalore-2, states* :—

I am a resident of Bangalore. I am a wholesale cloth merchant for the last three years. Previous to that I was in politics. I have never engaged myself in Public Works contract. I have been a Congress worker for the last 35 years.

2. The general opinion of the public is that the expenditure on this building is grossly extravagant. The avowed policy of the Congress has been the uplift of the masses, and for this purpose we have sacrificed everything. Instead of utilizing the money for proper objects, they are wasting the money over this building. While they are talking of nationalization, they have enriched a wealthy man by allowing him to keep a petrol bunk on the premises which is exclusively for the Vidhana Soudha Division. In our present state of finances, there was no necessity to spend money on even a separate building for the Houses of Legislature. We could and should have managed with the existing buildings.

3. I understand that although the rates of Messrs. Mysore Engineers and United Engineers were lower, the rates in actual execution are much higher. I therefore say that the rejection of the tenders must have been with a view to distribute favours and patronage.

4. The work of the Accountant General's Office building should normally have been entrusted to other engineers in Bangalore as the work of the Vidhana Soudha was sufficiently large to demand the whole attention of the Special Engineer.

5. Messrs. Kempiah and Sons were suppliers of materials to Vidhana Soudha and they were given lorries of Vidhana Soudha on hire. Therefore, people think that there must be something behind this. By hiring these lorries to the contractor (Kempiah & Sons), they were seriously damaged because the contractor used them indiscriminately.

6. Waste steel rods can be sold in open market at not less than controlled rates.

7. The maistries have been employed at high wages, though they had no qualifications for the work or experience, just to provide employment for their own people.

8. The Chief Minister was not a technical man. He gave instructions from time to time to the engineers. Without any objection they carried out his instructions implicitly. They should have exercised their discretion and expressed their views to the Chief Minister. The result is that some of the work has deteriorated already.

9. Mr. Nanjappa, the brother of the Chief Minister, was a great friend of Mr. Muniappa of Messrs. Kempiah & Sons and he was frequently seen in the Vidhana Soudha building with Mr. Muniappa of Kempiah & Sons. Mr. Nanjappa had at that time no occupation so far as I know.

SATURDAY—27TH OCTOBER 1956.

Witness No. 11.

SHRI AVAL REDDY, *K-92 Fort, Lalbagh Road, Bangalore-2, states :—*

I am a landholder and I was a Member of the Mysore Representative Assembly.

2. I knew that jungle wood planks were purchased for the Vidhana Soudha Division from Messrs. Kempiah & Sons. I do not know the quantity but I know the rate. It was Rs. 5-2-0 per cubic foot. This was one rupee higher than the market rate at that time. Government has several saw mills at different places in Shimoga and Mysore Districts. The Division could have purchased the planks from the Forest Department. The concession rates are fixed by the Forest Department for raiyats. The Division could have obtained these planks at concession rates from the Forest Department.

3. I have seen Mr. V. Nanjappa, the brother of Shri K. Hanumanthaiya, bringing contractors to the Special Engineer and directing him to give contracts at particular rates as if he was the boss of the Special Engineer. Mr. V. Nanjappa was very friendly with one of the proprietors of Kempiah & Sons.

4. I saw on more than three occasions that the centering material was being transferred from the Vidhana Soudha Division to the Accountant General's Office building in Vidhana Soudha lorries. The Vidhana Soudha lorries used to bring stones and unload them on the site of the Accountant General's Office building on many occasions. Once or twice I questioned the drivers out of curiosity. They said that Mr. V. Nanjappa had instructed them to drop the material there. When I questioned the proprietor of Kempiah & Sons, he told me that he had taken those lorries on hire.

5. I would suggest that the pulmani dressing work should be measured and rates struck.

6. The maximum rate for a mason in Bangalore is Rs. 3-8-0 per day while in the Vidhana Soudha Division they have paid Rs. 4-8-0 per day.

7. Shri Gopala Reddi approached me saying that he had paid advances to Shri Nanjappa through Shri Kempiah & Sons for 1,000 bags of cement and 7 or 8 tons of steel to be taken from the Vidhana Soudha Division. I approached the Chief Engineer Mr. Ananthachar with a letter from Shri Gopala Reddi requesting him to loan the cement and steel to Shri Gopala Reddi to be replaced later. The Chief Engineer declined to do so on the ground of scarcity of material. It was sometime in January 1956. The letter that was given to the Chief Engineer was returned by him.

6TH NOVEMBER 1956.

The witness was requested to produce the letter on 30th October 1956.

2. As the witness did not appear on 30th October 1956, a letter of request was sent to him on 3rd November 1956 to appear on 6th November 1956 at 2 P.M. It was delivered at his address by Peon Doddiah. It was received by Sm. Sarojamma who signed the Dak Book. The Peon has stated to me that he had so delivered the

Witness No. 11.

letter and obtained the acknowledgment. The witness has not appeared. Nor is any communication received from him as to non-appearance.

3. A communication from the witness is awaited.

26TH NOVEMBER 1956.

As the witness has not appeared before the Committee, and as no communication has been received from him, the evidence is closed.

SATURDAY—27TH OCTOBER 1956.

Witness No. 12

SHRI J. S. GOPALA REDDI, 1-*B, Gurumurthi Street, Bangalore, states* :—

I carry on business under the name and style of J. Subba Reddi & Sons. This is my father's business and I look after his business. I had taken a contract for labour quarters for Indian Telephone Industries about 21 months ago. I had to find steel and cement for this work. Indian Telephone Industries used to secure permits for these materials which were the controlled articles. If we were in need of cement and steel, which we could not get in time under our permits, we had to buy the materials. I had an occasion to procure about 1,000 bags of cement and 8 to 9 tons of steel through Kempiah and Sons. I went to the Accountant General's Office building and there I met Mr. Nanjappa. Mr. Nanjappa used to be there always and therefore I asked him whether I could get some cement and steel. Then he took me to the office of Kempiah and Sons. There the proprietor of Kempiah and Sons told me that he will give cement first and then steel. Next day, I paid Rs. 5,000 as advance. I paid the amount to one lame man of Kempiah and Sons in the presence of Mr. Nanjappa. That lame man is the son of Kempiah. This was about 8 or 9 months back. They told me that the cement and steel would be supplied to me within about 15 or 20 days. When I paid this amount nobody made an entry of the amount in any register.

2. The cement and steel was supplied to me in 15 or 20 days. I paid Rs. 6,000 (Rs. 4,000 *plus* Rs. 2,000) in addition before delivery of cement and steel was given to me. One thousand bags of cement was delivered to me and about 9 tons of steel was delivered to me. One of my brothers died at that time and I did not go for settlement of accounts.

3. This steel and cement was obtained by me without any dispute or difference with these people. It was carried in my lorries. Some quantity was carried from Vidhana Soudha Stores and some quantity from the Stores in the Accountant General's Office building. I cannot give the details. I will be able to give this information from my lorry register.

4. This was the only occasion of my purchase of cement and steel from Kempiah & Sons and Mr. Nanjappa.

5. In the lorry register details of trips and load carried are noted. We are having a Bank Account. We have got a cash book also. I do not remember if I have a stock register. We are having a stock account in which materials supplied to different works are noted.

6. The cement and steel was given to me in instalments and all was not given in time. Therefore I asked Mr. Aval Reddi to persuade Kempiah & Sons and Shri Nanjappa to give the cement and steel immediately. But they promised to do so. I did not hand over any application to Mr. Aval Reddi.

6TH NOVEMBER 1956.

The witness was requested to produce the documents referred to by him and to give further evidence on 30th October 1956.

2. As the witness did not appear on 30th October 1956, a letter of request was sent to him on 3rd November 1956 to appear on 6th November 1956 at 2 P.M. It was delivered at his address by Peon

Witness No. 12

Doddiah. It was received by Sm. Sarojamma who signed the Dak Book. The Peon has stated to me that he had so delivered the letter and obtained the acknowledgment. The witness has not appeared. Nor is any communication received from him as to non-appearance.

3. A letter will be sent by registered post to appear on 12th November 1956 at 2 P.M. and his reply awaited.

26TH NOVEMBER 1956.

As the witness has not appeared before the Committee, and as no communication has been received from him, the evidence is closed.

Witness No. 13.

SHRI M. S. NARASIMHA SASTRY, *Executive Engineer in charge of Water Supply and Sanitary Fittings, Vidhana Soudha Division, Bangalore, states* :—

The estimate for water supply was made on the basis of floor area. The accommodation plans were supplied to me. The plans did not show the number of persons who would occupy different rooms. These plans were supplied to me by the Government Architect through the Special Engineer. I did not ask for accommodation statement from either of them. I have not calculated the water supply requirement on the number of persons who would occupy the building, because the total quantity of water required is based on the total number of closets, urinals, wash basins and drinking and wash water taps to be provided in the Building.

2. Before making the estimate for Vidhana Soudha I did not examine the provision for water supply in other Government Offices. I am Water Supply Engineer for more than 15—16 years. I had prepared estimates for several other office buildings in Bangalore and also other places. I prepared the estimate for the sanitary fittings and water supply of the Accountant General's Office Building. The water supply and sanitary fittings there are quite satisfactory.

3. I had oral instructions of the Special Engineer who is my immediate superior officer to execute this work departmentally and not to call for tenders. I and my Special Engineer were of the view that it would be more convenient to get the work of sanitary fittings and water supply done departmentally consistently with the progress of the building. If the work is to be executed departmentally, it should be mentioned in the report accompanying the estimate.

4. The estimate for water supply is for Rs. 1,20,000. It is not stated in the report that the work has to be executed departmentally.

5. The requirements of water are stated in a note forming part of the report. A provision for 64,800 gallons is made for 60 flushing tanks of 3 gallons capacity, and a provision of 25,200 gallons is made for water for 100 wash basins and drinking. Out of this, 10,000 gallons are provided for drinking water, at the rate of two gallons per person occupying the rooms, and the peons. The figure of 5,000 includes the peons, visitors to the officers and other persons who may go to the Building.

6. *There are no drinking water taps provided in this building. The drinking water is to be taken from the taps in the wash basin.*

7. The total plinth area of the several floors of the building is 5,32,000 sq. ft. I presumed half to be usable area. Dividing that by 50, I arrived at the figure of 5,000. I have provided for 150 gallons of water for each wash basin. Out of the 100 wash basins, 60 are for Ministers and Secretaries and 40 for the community lavatories. For these 60 wash basins, the consumption may be about 300 gallons per day. For each wash basin in the community lavatory the consumption would be about 9 gallons a day per wash basin.

8. There are 41 flushing tanks of 3 gallons each for the Ministers and Secretaries and 19 for the community water closets. There are 46 automatic flushing tanks for the urinals in the community lavatories*. The calculation is not made for these 106 flushing tanks but only for 60 flushing tanks which are automatic. The reason for omission in the report is that the estimate is not prepared carefully.

* Document No. 5, page

Witness No. 13.

9. I have looked into the sanctioned estimate and I say that the following provisions are made:—

Thirty-four automatic flushing tanks for urinals in community lavatories.
Twelve automatic flushing tanks for urinals in the toilet rooms for members of the Legislature and visitors to galleries.
Forty-one tanks for the individual closets for the Ministers and Secretaries.
Nine tanks for the closets for toilet rooms.
Sixty-four tanks for the community closets.

10. Although the estimates provide for 160 sets of closets and urinals, the report mentions only 80, and although the estimates provide for 114 ordinary flushing tanks and 46 automatic flushing tanks, the report mentions only 60.

Q.—Is this serious discrepancy not due to careless preparation of the Report?

A.—Yes.

If the report had been properly prepared, the daily requirement of water would have been much more, and there would have been consequent increase in the estimates of other items of water supply.

11. Thirteen separate urinals are provided only for the Ministers' Chambers with one gallon tanks.

12. Sixty-four water closets are provided so that each closet may be used every six minutes for six hours a day.

Q.—Is this provision for water made regardless of the number of persons available to use the closets?

A.—Yes.

13. The automatic flush tanks provided in the estimates are intermittent with an interval of six minutes. The 34 flush tanks will require 6,120 gallons a day. The Houses of Legislature are in session for about four months a year, and for that period 12 flush tanks will require 2,160 gallons a day.

14. According to these calculations, the total daily requirement of water comes to 30,710 gallons.

15. I had prepared the estimates for the water supply of the Accountant General's Office Building. The number of officers and officials was taken at 900 and a provision was made for 15 gallons per head. For a total daily requirement of 13,500 gallons, overhead tanks of 10,000 gallons and an underground tank of 10,000 gallons were considered sufficient. There is no separate provision for water supply for gardening. We have not provided for fire hydrants for that Building, because there were no instructions received to provide for them. I received written instructions for them. The order asked me generally to prepare the estimates for the necessary water supply and sanitary fittings for the Building. It does not give any particular instructions.

RESUMED ON WEDNESDAY—7TH NOVEMBER 1956.

16. Till the end of 1955 I was in charge of only the water supply and sanitary fittings of the Vidhana Soudha Division.

17. The water supply and sanitary fittings work of the Accountant General's Office was done departmentally.

18. I had two supervisors, two temporary maistries and labour varying from 25 to 150.

19. Up to end of 1955 on Vidhana Soudha the outlay is Rs. 1,50,000 and on Accountant General's Office it is Rs. 40,000. Till the end of September 1956 the outlay on Vidhana Soudha is

* Document No. 5, Page 120.

Witness No. 13.

Rs. 2,10,000. On the Accountant General's Office the outlay between January 1956 and now is about Rs. 3,000.

20. We have maintained a separate 'C' Register for our work under the direction of the Accountant.

21. Originally the proposal was to have daily supply of 80 gallons per head, the population being calculated at one person for 40 square feet of usable area. This works out to about 4 lakh gallons per day on the basis of 40 per cent of the floor area being the usable area.

22. Only one tank of 2,000 gallons is constructed, and the other of 14,000 gallons is under construction. In the estimates there is a provision for six tanks at different places. In the sanctioned estimate, there is a provision for six tanks of the total capacity of 32,000 gallons. The largest tank provided is of 5,600 gallons.

23. At the Vidhana Soudha Officers' meeting held on 5th March 1956 it was decided to have two tanks of 11,250 gallons each, one of 5,000 gallons and one of 2,000 gallons.

24. The estimate was sanctioned on 2nd September 1955.

25. Now it is decided to have only four tanks, one R.C.C. tank of 14,000 gallons, one R.C.C. tank of 2,000 gallons already constructed and two steel tanks of 4,000 gallons each. The R.C.C. tank already constructed feeds water to the Chief Minister's Room, the Cabinet Room, the Chief Secretary's Room and some Secretaries' Rooms on the third floor.

26. A pump should work six hours. A pump of about 6 horse power would be necessary to raise 5,000 gallons an hour to a static head of 60 feet through a 3-inch pipe. If the pipe is 4 inches, the horse power of the engine would be 4½. Four-inch pipes are already put up. Two pumping sets are already purchased.

27. I consider it necessary to have a sump pit even when the supply is taken from a 15 inches gravity main. The minimum size of the tank should be half the day's supply to provide against a break-down of the 15 inches supply main. On the assumption that there is no break in the supply mains, the minimum capacity of the tank should be the rated capacity of the pump.

28. I have seen the 'C' Register but I have not initialled it. At the time of passing the bills, they are entered in the 'C' Register. They must be attested by the passing authority, *i.e.*, the Special Engineer. The Clerk who writes this register does not work in my office though he is paid from my office. He works in Accountant's Office.

29. *Q.*—What is your responsibility regarding the proper maintenance of the 'C' Registers in respect of water supply and sanitary fittings ?

A.—I have no responsibility since this is being maintained in the Division Office.

30. The work of laying 8 inches main, 1,200 feet long, was completed by end of 1955. From either the 'C' Registers or from the abstract, I am not able to say the total outlay on materials or labour on this work.

31. The total length of interconnecting pipes for overhead tanks as provided in the estimate is 3,600 Rft. The total length of the interconnecting pipes as shown in the plan is 2,240 Rft. This cannot be reduced by 700 Rft. because these connecting pipes also serve as distribution mains.

32. The pump house is 15 feet by 12 feet with a verandah of 10½ feet long. A pump house of this dimension was quite necessary.

33. It was proposed to supply filtered water for the garden. That work has not been carried out.

Witness No. 13.

34. The sump tank of 50,000 gallons has been completed.

35. Most of the materials required for this sub-division have been purchased through the Stores Purchase Committee. I cannot give any idea of the purchases made directly.

RESUMED ON THURSDAY—8TH NOVEMBER 1956.

36. I am producing a statement of discharging pipes and an estimate for maintenance.* That estimate is not submitted by me to any authority. It represents my view.†

37. I have also filed a list of rates of sanitary fittings which are used.‡ The pedestal wash-hand basins are provided for Ministers' Chambers. The white-glazed low level flush tanks are provided for Ministers' Chambers. Shanks urinals are provided in the Ministers' Chambers.

38. The flooring is of mosaic tiles with buff colour. The work is done by the flooring contractor. The rate allowed is about Rs. 180.

39. The price of a 5 horse power pumping set would be about Rs. 1,500.

40. The anticipated saving on the sanitary fittings would be about Rs. 1½ lakhs. I will send an estimate on the basis that the daily requirement is 30,000 gallons.

41. I am not maintaining a 'C' Register in my office. The 'C' Register is being maintained in the Division Office. I watch the progress of the work according to the rate at which it is executed from the measurement books. It is quite possible to do so. To arrive at the outlay at the end of any particular month, I must compile it from the measurement books. Apart from the working rate as noted in the nominal rolls, I have not separately noted it anywhere else.

RESUMED ON TUESDAY—13TH NOVEMBER 1956.

42. Twenty-four gallons of water per day is necessary for a water closet in the Minister's and Secretary's bath-room. This is provision for 8 uses per day.

Q.—What are your reasons for saying so ?

A.—I feel that it is not only the Minister or the Secretary who will use it but the visitors to him may also use.

Ten gallons per day is provided for the one-gallon flushing tank for urinals.

43. The 3-inch pipes meant for connecting the over-head tanks are put up. Two-inch pipes are provided for the middle tanks.

44. These estimates which I prepared were submitted to the Special Engineer.

45. I have not examined the possibility of using unfiltered water for these sanitary fittings.

46. I am in charge of the flooring work in the Central Wing since January 1956. Before that, Shri M. B. Krishna Iyengar who is the Sectional Officer, Central Wing, was in charge.

47. I will produce a signed copy of the tendered rates of the flooring contract given to National Cement Flooring Works, Mysore. The black and white tiles flooring for the verandah is an untendered item. The rate to be paid to the contractor is not yet fixed. He is paid a part rate of Rs. 110 per square for this item. The data statement for this work is not yet prepared. This work was done in April or May 1956. The Special Engineer has taken upon himself

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* Document No. 6, Page 99.
† Document No. 7, Page 99.
‡ Document No. 8, Page 100.

the responsibility of preparing data rates for this item. It is usual to fix the rate either before the work is undertaken or just after it is undertaken.

Q.—As an officer executing this work, was it not your duty to prepare a data sheet and submit it to the Special Engineer to fix the rate ?

A.—It was not my duty. It was the duty of the Special Engineer to fix the rates. He has fixed the rates for several items of flooring.

Q.—Did you prepare data sheets for any item ?

A.—I did not prepare data sheets for any of these items.

Q.—Did the Special Engineer ask you to prepare Data sheets ?

A.—No, Sir.

48. A plan of types of flooring to be done in the Central Wing was handed over to me in January 1956 when I took over. I got it from the Architect. The type of flooring has been changed by oral instructions from the Special Engineer. I did not get those oral instructions confirmed. I will prepare a statement of the quantities of different types as per plan given to me and the quantities and types as per execution. About 25 per cent of the completed flooring has been polished. After three polishes with the grinding stone by machine, the final polish is of wax. About 10 per cent of the work was done mostly in red tiles in the office rooms on the ground floor when I took over.

49. The mosaic green tiles are those which are obtained from Coimbatore. The rest are all manufactured here. The Coimbatore firm which has supplied the tiles is also doing flooring work in green tiles and other tiles also. They are doing work for the National Cement Flooring Works. The Special Engineer directed me to allow the use of tiles obtained from Coimbatore for the flooring work. The flooring work is done by Messrs. Boriah Basavaiah of National Cement Flooring Works and also by the Coimbatore manufacturer.

50. I have not tested the quality of tiles obtained from Coimbatore. Manufacture of tiles in Vidhana Soudha premises is periodically watched. After January 1956 I have done it minimum two times and maximum four times a month. I do not know the specifications of the tiles in the contract with this flooring contractor.

Q.—What is exactly meant by "watching"?

A.—I was watching the proportion of cement and sand used and the thickness of mosaic work.

Before going there to watch I used to inform them orally of the day and time of my visit, and in my presence they used to mix sand and cement and prepare the tile with mosaic finish.

51. According to my information, there is no engineer in charge of supervision of the manufacture of tiles on the Vidhana Soudha site.

52. So far as the Central Wing is concerned, no tiles were received from any other source.

53. In addition to this flooring work, I am doing terrazo work for the architraves, pillars and window sills. The rates for all this work are fixed in the list of rates supplied to me by the Special Engineer. I have not worked out the data for this type of terrazo work.

54. For laying the tiles there is $1\frac{1}{2}$ inch levelling course of jelly, cement and sand. Above that there is a course of cement mortar of $\frac{3}{4}$ inch and above that the tiles are laid. Jelly, cement and sand are supplied by the Department and the work is done by the contractor's labourers. From the bill of the contractor according to the contract rate, Rs. 6-8-0 per square is deducted.

TUESDAY—6TH NOVEMBER 1956.

Witness No. 14.

SHRI A. T. VENKATARAMAN, *Accounts Superintendent, Vidhana Soudha Division, Bangalore, states* :—

I took charge on the 17th April 1953. I did not take charge from anybody, as the office commenced to function as an independent unit from that month. The first cash book of Vidhana Soudha is from about March 1953, *i.e.,* since when the independent division was formed. When I took over charge there were two cash books and one 'C' Register. One was general cash book and one Works Cash Book. Both the Cash Books were being written by Mr. M. S. Ramachandra Rao, and the 'C' Register was being written by Mr. Chokanna. Mr. Chokanna was working in the Division till about August 1954 and Mr. M. S. Ramachandra Rao continues in the Division. For some time he was writing cash books and later on he became a compilation clerk. There was an expenditure of about Rs. 88,000 for renovating the Library Hall into a Legislative Chamber. This expenditure is to be found in the 'C' Register. The general cash book incorporates transactions relating to establishment which is not charged to the works and which do not enter public works accounts, and the Works Cash Book incorporates transactions relating to the execution of the work. The works cash book is in the Form P.W.A. 1. Prior to this I was working as Accounts Superintendent in Davangere Division. I have been in a Public Works Division only from 1952. Prior to that I was in the Electrical Department as Accounts Superintendent. I am a qualified Public Works Accountant.

2. In April 53, besides me there were two persons for maintaining the accounts. One of them was exclusively for cash book and the other was the compilation clerk. I was generally supervising their work.

3. The list of registers to be maintained in the Division by the Accounts Branch is given at pages 337-338 of the Accounts Code. The Cashier was writing Nos. 1, 2 and 3. Nos. 7, 8, 17, 19, 20, 24 and 25 were being maintained by the compilation clerk. Nos. 4 and 5 were being written by Sub-Engineer Mr. T. K. Raja Rao till a Storekeeper was appointed in about December 1953. Besides this, the compilation clerk maintained a 'C' Register in the old form, corresponding to item No. 11. The new Accounts Code became available to me on 5th April 1954.

4. From April 1953 to August 1953 one schedule docket was being sent and the expenditure was being booked in a lumpsum as Vidhana Soudha Project. I cannot say why we have not booked expenditure under the several sub-heads till August 1953. From September 1953 I analysed the expenditure under about a dozen sub-works, and compiled accounts from March 1953.

5. In September 1953 no estimate, sanctioned or otherwise, was available to me. I did not advise the Special Engineer to get a rough estimate prepared as required by para 29 of the Accounts Code. The reason is that I knew that a detailed estimate was being prepared. I did not advise the Special Engineer even to get a stage estimate prepared and sanctioned.

6. On 5th April 1954 my staff was one head-clerk, one storekeeper, one cashier, one compilation clerk and two Public Works clerks for auditing bills. At that time I was an Accounts Superintendent responsible to the Accountant General and an Office Manager responsible to the Special Engineer.

Witness No. 14.

7. In April 1954 it was not possible to maintain accounts in forms 10 to 13 as there was no sanctioned estimate. The staff was just sufficient to maintain the other registers.

8. Rupees 50-lakh estimate was not technically sanctioned. From April 1954 I got the 'C' Registers maintained according to the sub-heads in the Rs. 50-lakh estimate. The 'C' Registers were maintained correctly till about February 1955. From March 1955 we began to maintain these registers according to the sub-heads in the Rs. 130-lakh estimate which was under preparation.

9. In October 1953, there was an inspection by the Accountant General and the accounts were found to be very unsatisfactory.

10. *Q.*—What is your explanation for this state of accounts ?

A.—I have noted the remarks and improved substantially the maintenance of accounts.

11. The next inspection was made in March 1954. There is no remark that the state of accounts continues to be bad.

12. The Store-keeper prepares the half-yearly return of stocks. It is completed by the Stores Officer and sent to me for verification. I get it verified by another clerk. I then make test verification, and certify it to be correct. In this return both the quantity and value have to be stated. The opening and closing balances have also to be stated. In the return for the half-year ending September 1953, the values of the articles were stated. The remarks in para 8 of the inspection report, dated 19th June 1954 refer to the draft return. The values were stated in the final return. The return must be submitted within about two months of the close of the half-year. The return for the half-year ending 30th September 1953 was not submitted for six months thereafter. That return was returned to the Special Engineer on or about 21st June 1954 because it was incomplete and imperfect, and that return has not been submitted to the Accountant General even today in spite of several reminders.

Q.—What is your explanation for this inordinate delay in rectifying the return ?

A.—I have no explanation. I have not been able to dispose it of.

13. I have not yet submitted returns for the half-years ending 30th September 1955 and 31st March 1956. There was delay by the Store-keeper in the preparation of the returns. The returns are checked and they are under despatch. Mr. Venkatesha Das is the Stores Officer since the commencement of the Division. I have made several verbal reports to the Special Engineer against the Store-keeper for not preparing the returns in time. No action has been taken against him except sending for him and asking him to hurry up.

14. Since the Executive Officers have not given the certificates of the balances of materials at site for the years 1953-54 and 1954-55, the annual certificates of suspense balances could not be furnished in the prescribed form. The certificate for the year 1955-56 has not yet been furnished. It was due in about June 1956. I have no explanation for not having submitted even the incomplete returns for the first two years in form P. W. A. 46.

15. Up to November 1954 I was subordinate to the Accountant General.

16. *Q.*—Was it not your duty to see that the differences between the accounts of stock as prepared in the Division Office and the return sent from the Store-keeper were reconciled ?

A.—Yes.

Q.—Have you done it ?

A.—I have done it. But the mistakes have occurred in the totals in the store counting statements.

Witness No. 14.

17. *Q.*—Why were sub-divisions not formed for maintenance of accounts ?

A.—I am not able to answer that question.

18. If sub-divisions had been formed, the accounts would have been better maintained and proper scrutiny would have been easy. In a work of this large magnitude, sub-divisions are necessary and they are also required by the Accounts Code.

19. The accounts were not maintained in prescribed form. But I consider them substantially correct.

RESUMED ON FRIDAY—7TH DECEMBER 1956.

20. The amount of Rs. 2,278 is appearing against the Supervisor Somasekhar from October 1955. It is for the value of materials drawn by the Supervisor for the Blue Star Company. According to the tenor of the indent, the value should have been debited to the Blue Star Company. The value was debited to the Supervisor because I wanted to ascertain whether there was any irregularity in the drawal of the material. That information is not yet supplied to me.

21. I was present when the flooring tenders were opened. I know that three firms submitted their tenders. The representatives of Mys-India and National Cement Flooring Works were present. There were three or four others present who were not known to me.

TUESDAY—6TH NOVEMBER 1956.

Witness No. 15.

SHRI R. V. SUBRAHMANYAM, B.A., *Chief Accounts Officer, Electrical Department, Government of Mysore, Bangalore, states :—*

I am Chief Accounts Officer, Electrical Department for 4½ years.

2. When the indent was placed for the purchase of sound reinforcement equipment by the Chief Electrical Engineer, I appended a certificate, dated 29th December 1955 (a copy is produced).* Letter No. 5303—V. S., dated 26th December 1955 from the Special Engineer to Superintendent, Power and Light, was shown to me and because of that letter I gave the certificate.

(He is asked to get the relevant records.)

RESUMED ON FRIDAY—9TH NOVEMBER 1956.

3. This certificate is a qualified certificate. This certificate does not comply with para 434 of Mysore Electrical Accounts Code. I have to make payment for the purchases.

4. The Stores Purchase Committee placed an order for Rs. 2,04,472-1-0, with the Union Radio Appliances (P), Ltd., New Delhi. The Chief Electrical Engineer asked me to open letter of credit to the Bank of Mysore for Rs. 1,84,000. After some correspondence, I gave a letter of authorisation for payment of Rs. 1,00,000 to the Bank of Mysore. This authorisation is dated 2nd August 1956 and was valid up to 15th October 1956. I did not issue an irrevocable letter of credit.

5. Under the terms of contract, the equipment was to be supplied not later than 15th October 1956 and it should be commissioned into service not later than 15th November 1956. I have not issued any authorization after 15th October 1956.

6. The documents were not tendered to the Bank before 15th October 1956 and the Bank has not made payment on our behalf.

7. On 25th October 1956 the Bank of Mysore forwarded to me the railway receipt and the invoice in duplicate without any payment. The documents must have been forwarded to the Chief Electrical Engineer for further action.

8. The authorisation for Rs. 1,00,000 was amended to Rs. 1,84,025 on 18th August 1956. The amended authorisation was also valid up to 15th October 1956.

9. I make payments by issuing cheques on the Reserve Bank of India.

10. Under this authorization, the Mysore Bank would have debited the Electrical Department with the amount of authorization and the debit would have been transferred to us through the Accountant General.

RESUMED ON MONDAY—12TH NOVEMBER 1956.

11. Rs. 8.15-lakh estimate was sanctioned on 29th December 1954, and the sanction for purchase of specific items under this estimate amounting to Rs. 2,39,000 was accorded on 7th July 1955. A copy of this sanction was not furnished to my office, nor was the sanction otherwise communicated. The sanctioned estimate of

* Document No. 9, page 100.

Witness No. 15.

Rs. 8.15 lakhs does not give specific details of the materials to be purchased. The Superintendent, Bangalore Power and Lighting, should have supplied me with a copy of the detailed estimate of stores to be purchased for the Vidhana Soudha in accordance with the sanctioned estimate.

12. The orders for purchase of materials for the Vidhana Soudha were placed either by the Chief Electrical Engineer or by the Superintendent, Bangalore Power and Lighting, City Area. These goods were to be supplied to the Stores Officers, Bangalore Power and Lighting, and the bills were to be sent to the Superintendent, Bangalore Power and Lighting. Since the budget head shown in this order was " Stock, Bangalore Power and Lighting, City Area ", I had issued audit certificate that the purchases can be met out of the provision made in the stores budget. The bills were received by the Superintendent, Bangalore Power and Lighting. After he passed them, they were received in my office for pre-audit. I compared the bill with the particular order for which the audit certificate was given and passed it for payment and the payment was made by me.

13. Orders placed by the Chief Electrical Engineer alone require audit certificate, and the orders placed by the Superintendent, Bangalore Power and Lighting, require the certificate of the sectional Accountant of his office.

14. In the case of purchases of electrical equipment for Vidhana Soudha, the sanctioning authority is the Government. The Chief Electrical Engineer comes in because the work was to be executed by the Electrical Department.

15. Before payment is made, I have to satisfy myself that there is a sanction of the competent authority for the purchase.

16. My attention is invited to para 424, sub-para (6) at page 5 of the Mysore Electrical Account Code, Volume II. This rule provides that orders of competent authorities sanctioning purchases must be furnished to me before payment is made, and I have to verify whether the order placed is in accordance with such sanction. If it is, I will order payment. If it is not, I will refuse payment. Checking the bills with the orders placed by the Chief Electrical Engineer is not compliance with sub-para (6). I thought that the sanctioned estimate of Rs. 8.15 lakhs was good enough for passing these bills.

17. Under Rs. 8.15-lakh estimate, the purchases would be first chargeable to the Electrical Department and then chargeable to Vidhana Soudha by transfer. When the money is paid, the expenditure is first debited to Objection Book Advance (O. B. A.), and then it is transferred to ' Remittances '.

SATURDAY—10TH NOVEMBER 1956.

Witness No. 16.

SHRI K. S. GANGADHARA, *Retired Chief Engineer of Mysore, Bangalore, states* :—

I was Chief Engineer from about October 1952 till November 1954. Prior to that, I was Secretary, Public Works Department. It may be for about a year or so. I was a member of the Committee appointed on 23rd April 1952 to evolve a suitable design. When this Committee was appointed, the idea was to evolve a design for a Building for the Houses of Legislature. At a meeting of the Committee held in the Chambers of the Chief Minister, the Committee was asked to evolve a suitable design to accommodate the Secretariat also along with the Houses of Legislature. The Chief Minister then expressed that it should be a good building even if it costs Rs. 30—40 lakhs. The design that was finalised by the Committee was shown to the Chief Minister and other Ministers and they were satisfied with it.

2. On 25th July 1952 the plans for the combined Building were in the stage of preparation and the Architect took about four months to finalise them. In sending this letter to the Chief Engineer dated 28th July 1952, the idea was not to start work without approved plans and estimates. The idea was that the persons concerned should hurry up the matter so that the foundation work could be started in the month of September.

3. In issuing the direction that the work may be executed departmentally, the idea was to save the contractor's profits by departmental execution and ensure quality of work.

4. It is a matter of fact that the departmental work is always cheaper. This is on the premises that the work is done diligently, honestly and by competent persons, and there should also be a proper organisation both for execution and also for accounts.

5. The Divisional establishment asked for was fully sanctioned. The first thing the Officer-in-Charge should do is to get the designs and detailed estimates prepared. It should take about two to three months to get the designs and detailed estimates prepared. The designs were to be givn by the Government Architect. It was possible to have the estimates ready before the work was started about March 1953. The estimate could not then be finalised because of the special difficulties due to the varying nature of the soil in the foundation.

6. Ordinarily, detailed estimates must be prepared and sanctioned before the work is commenced. In case of urgency, a rough estimate is prepared and sent for guidance of audit explaining urgency. But in this particular case these rules could not be observed because even an approximately correct estimate could not be prepared in view of the heavy foundation work involved and the varying nature of the soil. There was no difficulty for the preparation of the estimate for the portion of the Building above the basement level. But those estimates could not be submitted without the estimate up to the basement level. It is not usual to submit stage estimates unless the work is ordered to be done by stages. It took about three or four months after the foundation work was commenced to fix the depth and width of foundations.

7. The Chief Minister had given me his idea of the Building and my idea was that the Building would cost about Rs. 70 lakhs including services, for the main structure about Rs. 50 lakhs and the services about Rs. 20 lakhs. This was sometime after the designs were approved by the Chief Minister and the Ministers.

Witness No. 16.

8. When the work was started, we had definite idea of what the work would cost.

9. In January 1953, an abstract estimate of Rs. 50 lakhs was received from the Executive Engineer in charge of this Division.

10. Of his own accord, the Special Engineer called for the tenders perhaps with a view to give some work on tenders. I ordered the cancellation of those tenders because I thought the Government would get into complications and the work would not be done in time. There were some items of work such as the architectural features involved in the Dravidian style which could not be given on contract for want of definite rates. If the other works were given on contract to different contractors, there would be no co-ordination, and it would cause delay in execution.

11. The instructions from the Minister-in-Charge, Public Works, were that the work must not cost more than Rs. 50 lakhs. The Minister did not say that this estimate should include services also. I interpreted his instructions as referring to Building proper *i.e.*, excluding essential services. When the Special Engineer told me that the estimate would amount to about Rs. 80 lakhs, I told him to reduce it to Rs. 50 lakhs by omitting all lumpsum provisions and limiting it to the Building proper. I did not instruct him to reduce the rates.

12. This estimate of Rs. 50 lakhs, when received in my office, must have been scrutinised in the drawing branch of my office. I would not have forwarded this estimate to Government without its being checked in my office. This was only an abstract estimate, for purposes of administrative sanction. Without detailed estimates, the abstract estimate could not be prepared. But the detailed estimates must be defective and therefore the abstract estimate was sent.

13. When the Government had passed a definite order in February 1954 to prepare detailed estimates so as not to exceed Rs. 50 lakhs, the Special Engineer could easily have prepared detailed estimates for technical sanction by the end of June 1954 at least. He had sufficient staff for the purpose. Because the Special Engineer would not submit detailed estimates in spite of reminders, I wrote to Governnment letter No. 8570-71—R.B. 54-55, signed on 22nd November 1954 and despatched on 24th November 1954. The number indicates that a copy must have been sent to the Special Engineer.

14. Mr. Muniappa is not a Civil Engineer but a Mechanical Engineer. He was not in charge of execution of any Building work of importance. I recommended to Government his appointment as Special Engineer because the work was to be executed departmentally and that an honest officer like him should be in charge. He was being assisted by competent executive staff and consequently his inexperience would not affect proper execution of the work. My instructions to him and the Architect were that details of designs and execution should be approved by me and that nothing should be done without my approval. There were some instances where the Government Architect did not implement my instructions. In this regard, the Architect and the Special Engineer were one and the latter also did not implement my instructions on several occasions. When the situation was getting out of control, I made the report dated 22nd—24th November 1954 to Government.

15. My idea was to have the accounts audited month by month by a Special Audit Officer, but no proposals were received from the Special Engineer for having a special Audit Officer. I did not suggest pre-audit because pre-audit causes delay in payments and consequently substantial increase in rates.

16. Although sub-divisions were formed, it was not necessary to have the accounts sub-divisions because the work was concentrated

and the accounts could be properly maintained in the Division Office. I had not given any instructions to the Special Engineer in this matter. My view does not conflict with para 95 of the Public Works Accounts Code. According to me, this paragraph would apply where the Division and the sub-divisions are located in different places and the works to be handled by the sub-divisions are many.

Q.—Was the accounts staff in the Division Office adequate for maintenance of proper accounts of this work executed departmentally ?

A.—The Special Engineer did not bring to my notice any inadequacy of the staff or any difficulty in maintaining the accounts.

17. When I made oral enquiries from time to time from the Special Engineer I was informed that the rates of execution were within the schedule rates *i.e.*, the rates paid in the Bangalore Buildings Division.

18. I do not recollect that the inspection report of the Accountant General or his letter to Government was brought to my notice. In fact, it was not brought to my notice that there were serious irregularities in the accounts. I was told by the Special Engineer that the accounts were being properly maintained. I do not remember to have done the annual inspection of the Vidhana Soudha Division for the financial years 1952-53 or 1953-54.

19. There was delay in the appointment of a store-keeper because it was difficult to find a reliable store-keeper. But the stores accounts were being maintained and I was given to understand that the stores accounts were being properly maintained.

20. A rough consolidated estimate of requirements should have been prepared to enable planned purchases.

21. The Special Engineer made purchases in contravention of rules. In many cases I objected to such purchases. But I did not make any report against him because strict observance of rules might have caused delay. The Chief Minister was insisting on speedy execution of work and my report would have hampered it.

22. The Special Engineer disregarded my instruction to give check numbers to the labourers. I could not take any action against him for the reason already stated.

WEDNESDAY—14TH NOVEMBER 1956.

Witness No. 17.

SHRI B. R. MANICKAM, *Government Architect, Government of Mysore, Bangalore, states* :—

I am Government Architect since February 1949. This post was created about 30 years ago and the Government Order creating the post must have defined the duties of the Government Architect. I have not looked into that Government Order.

2. The original plans for the Houses of Legislature were prepared by me. The first stage estimate of the plan was for about Rs. 24 lakhs. The foundation stone of this Building was laid by the Prime Minister on 13th July 1951. After the foundation-stone was laid, no further work was given to me as regards that plan.

3. On 23rd April 1952 the Government appointed a Committee to evolve a suitable design for the Houses of Legislature more of an Indian style than one of purely Western style. Accordingly I prepared plans and submitted a report to the first meeting of the Committee on 9th June 1952. On 9th June 1952 I submitted to the meeting plans and a statement of accommodation and that statement of accommodation refers to the Houses of Legislature and the connected office accommodation. I submitted a note along with that describing the architecture of the Building which was mainly of Dravidian style. I then considered ornamentation unnecessary for a Building of this nature. At that time, my view was that the architecture should be suitable to the function of the Houses of Legislature and should not look like a temple.

4. Before the Government Order was passed, the Chief Minister orally instructed me to prepare designs for a combined building to accommodate the Houses of Legislature and Secretariat.

5. At the meeting of the Committee on 25th July 1952 the plans for a combined building were before the meeting. At that meeting the Chief Minister who presided stated that it did not matter if the cost went up to Rs. 30—40 lakhs. But the building must be most beautiful and the intention and purpose of the building should be fulfilled. At that meeting the Chief Minister informed the Committee that the work should be done departmentally by piece work and *Amani* system.

6. Initially the Chief Minister wanted to get competitive designs. This was also the proposal of Shri Venkoba Rao. Before 27th August 1952 the Chief Minister dropped the idea of calling for competitive designs and the plans were finalised by him about that date.

7. These plans were put before the next meeting held on 3rd November 1952. On 20th November 1952, I sent these plans to the Executive Engineer, Buildings Division, Bangalore, for preparation of detailed estimates. These plans were approved by the Cabinet at a meeting held shortly after 3rd November 1952. I was present at the Cabinet meeting and explained the plans.

8. According to the plans, the floor area worked out at about 4,21,000 square feet. I then thought that it should cost about Rs. 20 a square foot. I do not remember if the Chief Minister enquired of the probable cost when he finalised the plans. The members of the Committee did not enquire about the cost. I do not remember if any Minister enquired about the cost at the Cabinet meeting.

9. I was asked by the Convener to prepare a draft report of the Committee. It was submitted by me on 12th June 1953. A meeting of the Committee was not held to finalise the report. On 19th

Witness No. 17.

December 1953 I was asked by the Convenor to complete the report and other details in its enclosures. Accordingly, I completed the report and sent to him on 4th January 1954.

10. These plans which were finalised were sufficient for preparation of detailed estimates except for architectural features and embellishments.

Q.—What difficulty was there for you to prepare plans and designs for the architectural features intended to be incorporated in the Building at that time ?

A.—For a monumental Building of this type, it is not possible to give all the architectural details in the commencement only. Many samples have to be put up before determining the size, shape and other features during execution.

11. At the time when the Chief Minister gave a direction on 23rd October 1953 that a third floor may be added, the engineers were of the opinion that the foundation could take the load. Immediately after that, I started preparing alternative designs with verandah and without verandah. By February or March 1954 it was possible to estimate the cost of third floor. In about November or December 1953, it was possible to have an idea of the approximate cost of the third floor.

12. As regards the domes, I used to prepare several alternative designs. They used to be discussed in the presence of the Chief Minister, the Chief Engineer, the Special Engineer and others who would be present. The Special Engineer used to offer his own criticism and suggestions. The approved drawing used to be sent to the Special Engineer who used to put up a full scale drawing and then arrange for construction of models. The Special Engineer used to make his own suggestions. This procedure of finalising architectural features was followed for all other major features. On many of these occasions the Chief Engineer used to be present and used to offer his own criticism.

RESUMED ON THURSDAY—15TH NOVEMBER 1956.

13. *The Chief Minister was the authority who finalised the designs and working drawings.* Others including myself would offer our suggestions and criticism and he would take a decision taking into consideration every aspect.

14. On 14th October 1954 the overall designs of the four corner domes and two secondary domes were finalised. The working drawings were given to the Special Engineer of the corner domes in May 1955 and of the secondary domes in August 1955.

15. The final shape of the Central Dome was finalised and approved on 5th December 1955 and the working drawing might have been given about a month or so later.

16. I would estimate the cost of each corner dome at about Rs. 75,000 as designed on 14th October 1954, and the secondary domes near the Central Dome about Rs. 60,000 each. The estimate of the portion of the Central Dome above the terrace, according to the design dated 14th October 1954, would be about Rs. 4½ lakhs. The cost of the Central Dome above the terrace as modified in December 1955 would be about Rs. 6 lakhs. From ground it was 192 feet high.

17. With regard to the Central Dome, the Chief Engineer returned the calculations to find out the possibility of reducing the weight or strengthening the pillars. The proposal of strengthening the R.C.C. columns in order to take the additional weight due to increase in the height of Dome came up before the Technical Committee on 2nd August 1956. The matter was referred to the Chief Engineer for scrutiny and orders. Now the design is modified by

reducing the height by 17 feet and the diameter by 6 feet so that the R.C.C. columns may take the weight. Consequently, the cost would be reduced by about Rs. 2 lakhs.

18. By a mere modification of the architectural features without altering the size and shape, it was not possible to construct the secondary dome in Rs. 10,000 and the corner dome in Rs. 20,000.

19. Item No. 10 on the ground-floor in the accommodation statement are the two Recreation Halls for the gazetted assistants and non-gazetted assistants. The Committee Rooms on the ground-floor, first floor and the second floor are meant to be for the meetings of the Committees appointed by Government.

20. The marble fountain was proposed to be installed in the ground-floor foyar. I am told the proposal is dropped. It is so delicate that it cannot be an out-door fountain.

SATURDAY—17TH NOVEMBER 1956.

Witness No. 18.

SHRI K. HANUMANTHAIYA, *Member, Mysore Legislative Assembly, Silver Jubilee Park Road, Bangalore, states* :—

I had seen only the plan prepared during the time of Shri Reddi Ministry for the Houses of Legislature. I was present on the occasion of the laying of the foundation stone by the Prime Minister. I was then the President of the Provincial Congress Committee and the Deputy Leader of the Congress Party. The Chief Minister Shri K. C. Reddy was the Leader. I saw the plan exhibited on that occasion. I told Shri Reddi that the plan was not good enough for a building of this nature. He jocularly said, "Anyway, you are becoming the Chief Minister next and you can implement your ideas about this plan ".

2. After I became Chief Minister, I summoned a meeting of all the concerned officers one day in the Residency, the concerned officers being the Chief Engineer, the Government Architect and a few others. I told them that they have to redraw the plan which should represent our tradition, culture and should be a work of art in keeping with the tradition of Mysore State. *I told them not to repeat the plain and simple type of American architecture.* While having all modern amenities and facilities, the building should present an appearance of our ancient Indian architectural beauties. I did not instruct them about the financial target for the scheme. I did not do so because the financial estimate depended upon the type and size of the Building.

3. They prepared an elevation plan with three floors on the east, north and western sides and four floors on the southern side. That plan had the same appearance as the present Building (Vidhana Soudha). I then asked them to prepare an estimate for the Building. After this I also appointed a Committee to look after the execution of this Building efficiently and expeditiously. On the day I approved the plan, I also gave the name Vidhana Soudha for this Building.

4. The Committee that I refer to was appointed by Government on 23rd April 1952. Before this Committee was appointed, I had approved of the elevation. This Committee was appointed with a view to suggest any modifications and improvements also. They were in fact free to make any useful suggestions they thought fit. The elevation plan that I had approved was considered and approved by this Committee.

5. *I had no idea of the probable cost of the Building.* I expected this Committee and the concerned Engineers to prepare an estimate and give me an idea of the cost. The Committee did not communicate to me the estimate and cost. I did not ascertain whether this Committee had prepared any estimate because I was waiting for the estimate to come to me in the usual course.

6. *I did not meet this Committee.* I have no recollection if the Committee submitted any report to Government. I thought this Committee was functioning while the execution of work was going on. But I did not make any particular enquiries.

7. The proceedings of the Legislative Building Committee dated 25th July 1952 are just now read by me. As appears from that proceeding, I had placed the financial target at Rs. 30 to Rs. 40 lakhs in a general way. That figure did not represent the final target. I had

no idea about the probable cost on this date. My attention is drawn to the passage :—

> "Sovereignty had been shifted from the Palace to the Legislature and it was therefore imperative that the Building should depict this transfer of power and reflect power and dignity of the people and that should be the main characteristic of the Building."

Q.—Will you please elaborate this idea ?

A.—The idea is self-explanatory.

Q.—How was the transfer of power from Palace to the Legislature to be depicted in this Building ?

A.—The size, the architecture and the beauty of the Building. Buildings have their own characteristics and convey ideas to the onlooker. Buildings have their individuality. I remember the debates that used to take place in the old Central Legislative Assembly at Delhi. Leaders like Shri Motilal Nehru, Shri Malaviya and others used to complain that the Delhi Secretariat Building was more prominently situated and constructed than the Parliament Building in Delhi. They used to say that the Parliament Building must be more prominent than the Secretariat Building. These ideas were in my mind when I gave the idea stated in the proceedings of the Committee as reproduced above.

Q.—Was it the idea that the Building in its grandeur and architecture should look like a Palace ?

A.—I had no such idea.

8. I do not recollect if I had finalized these plans about a month after this.

9. My attention is drawn to—

> "The Chief Minister and other Ministers of the Cabinet perused the final plans and approved of the same".

in the report of the Legislative Building Committee. This must be correct. I do not recollect whether any idea of the probable cost was given to us. At this distance of time I do not recollect if I or any of my colleagues enquired of the probable cost of this Building. During my whole term, I was the Finance Minister.

10. It is my view that it is better to have the Legislature and the Secretariat Offices in one Building. I was a Member of the Parliament at Delhi and it is my experience that this combination is economical and facilitates quick and smooth work. For example, in Delhi, Ministers and Secretaries have two sets of Offices, one set in the Secretariat Building and another set in the Parliament Building, thus involving double space and expenditure. The combination would avoid this double space and expenditure and also the delay that is likely to be caused in going from one Building to the other.

11. At the time the plans were finalized, the concerned officers gave me an idea of the plinth area of the Building. At that time we had the idea of having a Building with the kind of architecture that we find now. I do not now recollect if I had then any idea of the cost per square foot of the plinth area. But the Engineers told me that it would cost less than many other Buildings including the Government of India Buildings. About four months back, I was told by the officers concerned that the cost of the Building would be cheaper than many Buildings of the same quality if the cost of architectural features is not taken into account. In particular, they mentioned the Government of India Buildings—the Telephone Exchange and Military Buildings (Air Command Headquarters) in Bangalore, and Bank of Mysore Building at Madras and the Secretariat and High Court Buildings in Chandigarh.

Witness No. 18.

12. What is stated in the last two paragraphs of the proceedings of the Legislative Building Committee, dated 25th July 1952 is correct.

Q.—When the plans were not finalized, when you had no idea of the probable cost, what was the reason for ordering immediate starting of the work without estimates ?

A.—My ideas in asking the work to be started immediately were three :—

(*i*) The work had to be executed expeditiously in view of the growing demand for space for Government Offices. We had offices in rented buildings and we were paying a big amount of rent for them. They were also scattered throughout the City which was not conducive to efficient supervision. In the Secretariat which is now called Attara Kacheri, the clerks were very much crowded in each room and they were working with great inconvenience. They had not even the space given to labourers in factories as per labour laws. When I inspected the Secretariat Building at the beginning of my office, my heart went out in sympathy for these clerks who were literally crowded in each room.

(*ii*) There was the prospect of Mysore State becoming enlarged and it required enough accommodation for enlarged offices and in time.

(*iii*) I did not think it right to go on in the routine way which would involve a long delay. Since it had been decided to construct departmentally, no complications would arise. If the Building had been entrusted to a contractor, great many difficulties would have arisen in regard to rates, etc. The work being done departmentally was a safeguard against all difficulties which would arise in the case of the Building being started immediately. The plans had been finalized so far as the dimensions of the Building were concerned. Therefore, the foundation, excavation and the Building up to the plinth level could easily be executed and within that time the estimate could be prepared as required.

RESUMED AT 3 P.M. SATURDAY—17TH NOVEMBER 1956.

13. *Q.*—On 25th July 1952 what was your idea of speedy execution of this work ?

A.—To carry out the work without delay and hitch in the matter of departmental procedure or supply of materials or availability of staff.

Q.—What was your idea about the outlay per month on execution of this work ?

A.—I did not interest myself on the expenditure side monthly or daily. It is my view that Ministers or Chief Minister should not go into such details because the ultimate responsibility is that of the Officer-in-Charge of execution of the work.

Q.—Did you interest yourself in the total cost of the project ?

A.—The total cost had to be assessed by estimate submitted to Government. I was asking the Officers to prepare the estimates. In the very nature of things it is impossible for a lay Chief Minister to make a mental estimate of the cost of the Building.

Q.—Was this Building going to be costlier than the previous one whose foundation was laid by the Prime Minister ?

A.—Yes.

Q.—Would it be incorrect if I suggest that the unitary cost of the present Building was to be at least 50 per cent higher than the unitary cost of the old Building ?

A.—I am not a technical man and it is not possible for me to answer that question.

Witness No. 18.

14. *Q.*—Did you order the addition of the third floor ?
A.—At that time the idea suggested itself to me, that we may need more accommodation than was available in the three floors. I consulted the engineers whether the foundations would take another floor. They examined and gave an affirmative answer. In consultation with the engineers, I decided to put up the 4th floor.
Q.—Was this about October 1953 ?
A.—I do not remember the date.
Q.—What was to be probable increase in the cost on account of the addition of this floor ?
A.—I have no idea. Even for this I was waiting for the estimate to be prepared.

15. *Q.*—We take it that you issued orders to start this work without considering the financial implications ?
A.—The financial implication is a question of ministerial responsibility and obtaining the approval of the Legislature. These are in the nature of policy decisions. The master of the affair is Legislature. To the extent a Chief Minister commands the confidence of the Legislature for his policies, he will have to initiate and implement them. It is not a clerk's job to await orders and to obey them. It is the Government that fixes the requirements and provides money for them. The authority that is to approve is the Legislature and every time that I have gone before the Legislature for increased expenditure, it has been sanctioned almost unanimously.
Q.—You have not answered the question ?
A.—That is the answer. Financial implication was apparent. But its extent depended upon the requirements of Government. It is on that basis the matters proceeded.
Q.—Did you consider it necessary to take your Cabinet colleagues and the Legislature into confidence and seek their approval to this huge scheme before ordering commencement of work ?
A.—I have taken the Ministers into confidence. So far as the Legislature is concerned, one can take its approval according to prescribed procedure, namely, by way of going before the Legislature either through budget estimates or through supplementary grants. In my very first budget speech in June 1952 I have included a para about the construction of this Building, and provided about Rs. 4 lakhs for initial expenditure for that financial year. The total cost has not been given in the budget speech. Only the idea of the Building was enunciated.
Q.—Did you give an idea of the total cost of the Building in the budget speech of 1953 ?
A.—No. I have not made reference about this Building in that budget speech.

I have not referred to this Building thereafter till my budget speech in 1956.

16. *Q.*—Was it your idea to start the work without approved plans and sanctioned estimate ?
A.—The work had been started as I have said earlier. Plans had to be approved and estimate had to be prepared.
Q.—Did you examine the economies of the execution of the work Amani and on piece-work system ?
A.—That was not my business. All that I agreed to was the execution of the work departmentally.

Witness No. 18.

Q.—Did anybody put up this proposal before you pointing out pros and cons of the question ?

A.—No.

Q.—What was your idea about the departmental execution of this work ?

A.—My idea was the Department of Public Works itself executing the work as distinguished from the system of entrusting it to a private contractor.

Q.—Was any Building work of magnitude executed by the Public Works Department, Mysore, departmentally ?

A.—I do not know.

Q.—When you passed orders to execute this work departmentally, who was in your view as Special Engineer to take charge of this work ?

A.—I do not remember those details. But it was entrusted to Shri Muniappa, who was then an Executive Engineer, as he was known to be a man of integrity.

Q.—Did you examine the question whether the Public Works Department was properly equipped to take up execution of this work departmentally ?

A.—It was my view that the Department was better equipped for this kind of work than any private contractor.

Q.—We say that for economical execution of work by departmental agency, it is necessary that it should be done by expert competent engineers who had experience of execution of such work and that they must act honestly and diligently. There must also be a proper organization for execution and for maintaining proper accounts. Last but not of the least importance is the preparation of the detailed estimates duly scrutinized and sanctioned by competent authority. What is your view ?

A.—My answer to the questions in all the three sentences is : Yes.

17. *Q.*—Do you make a distinction between administrative approval and technical sanction ?

A.—That is a well-known procedure in Government.

Q.—What is the effect of an administrative approval ?

A.—I do not know. I have not read the rules.

Q.—Is Mr. Muniappa a Civil Engineer ?

A.—I think he must be a Civil Engineer because he was doing civil engineering works in all his service.

Q.—Before making his appointment as Special Engineer, did you ascertain whether he was in charge of execution of any Building work departmentally, *i.e.*, Amani and piece-work ?

A.—Before making his appointment as Special Engineer I had seen his work as Executive Engineer, Kolar District. He has done Building and other works in the Division within the jurisdiction of an Executive Engineer.

18. *Q.*—Were there major deviations from the sanctioned estimate during execution ?

A.—I do not remember those details.

Q.—Were you suggesting changes in designs during execution ?

A.—In the periodical conferences of Engineers and other officers, I used to discuss and formulate proposals. They used to be reduced to writing and they were receiving confirmation in the usual course.

Q.—For whose acceptance were these proposals being made ?

A.—These proposals were being made for being submitted to Government through the usual official channels.

Witness No. 18.

Q.—During the course of execution, were you directing changes in architectural features ?

A.—During the course of execution we used to put up, wherever necessary, brick and wooden models. If the models were appropriate, they were being accepted for execution.

Q.—Whose was the final word in the matter ?

A.—Government's.

Q.—Were these changes being put up to Government for sanction through the usual channels ?

A.—Yes.

Q.—Was the question of increased cost being considered whenever these changes were suggested for Government's sanction ?

A.—Not at that stage because estimates had to be prepared for them. It was not possible to know in advance. In minor matters like cornice, floral decorations, they were done under instructions on the spot.

Q.—Were these proposals being submitted to you ?

A.—These proposals were being submitted to me through the official channels for orders.

Q.—Were these proposals being submitted to you after the Minister for Public Works expressed his views ?

A.—I do not remember. All those things will be in the files.

19. *Q.*—Is it correct to say that all verbal orders issued by you during inspection or while at the works were being confirmed in writing ?

A.—Yes.

RESUMED ON TUESDAY—20TH NOVEMBER 1956.

20. *Q.*—What was the compelling reason which necessitated the commencement of the work of Vidhana Soudha without obtaining administrative approval and technical sanction ?

A.—Expeditious execution of the work.

Q.—When order for departmental execution was passed, what period did you consider necessary for completion of the project ?

A.—I had no idea. But all that I was particular about was that the work must be carried on without any delay.

Q.—Had the Government decided that the cost of the project should not exceed Rs. 50 lakhs ?

A.—We had not decided by any Government Order any limit to the expenditure. We depended on the estimate being furnished to determine the cost of the Building.

Q.—When the Government asked the Chief Engineer to prepare detailed estimates, was he directed to limit the cost to Rs. 50 lakhs ?

A.—I do not remember those details.

Q.—When the administrative approval was given to Rs. 50-lakh estimate, did the Government direct that the cost should not exceed Rs. 50 lakhs ?

A.—I do not remember.

Q.—Had you any idea of the cost of the project, say in the middle of 1954 ?

A.—Either on that date or subsequently or previously, I had not in my mind a fixed figure. The four-storeyed building plan was there, and whatever was required to complete that building had to be provided was my idea.

Witness No. 18.

Q.—Did you ask the Chief Engineer or the Special Engineer to limit the expenditure to Rs. 130 lakhs ?

A.—Whenever I met these officers, I used to discuss with them the construction and architectural problems. I was not discussing with them the question of cost.

Q.—Did any of these officers bring to your notice that the Government had fixed the upward limit to Rs. 50 lakhs ?

A.—No, they did not bring to my notice. Once the estimate at Rs. 50 lakhs was given as the cost of the Building by way of answers to questions in the Legislature. Subsequently, it was revised to Rs. 130 lakhs or so.

21. Whenever I made suggestions, I used to tell them that what I suggested was not Government Order or even my final opinion and that they had to examine them from all aspects and tell me their feasibility.

Q.—When the changes were introduced involving heavy excesses, did you direct the Special Engineer to commence work after Government sanction ?

A.—I was not telling them either way. I used to make my suggestions and leave at that.

Q.—Were the target dates fixed on the advice of the officers concerned ?

A.—In one of the conferences I used to have with these Officers, the date was fixed for arranging the opening ceremony. It was on their advice that the date was fixed and announced.

Q.—Was there continuous pressure from you for expeditious execution of the work ?

A.—Yes.

Q.—Was this pressure such, as prevented the Special Engineer from paying attention to take measures for proper execution of the work ?

A.—I do not think so, because whatever staff was necessary and whatever expeditious Government orders were required for that purpose, I was ever willing to place at their disposal.

22. *Q.*—Is it correct to say that with a view to speedy execution of work you considered it expedient or necessary to take over the Vidhana Soudha portfolio ?

A.—No. One day last year the Minister for Public Works sent a file with a note that the portfolio may be taken over by the Chief Minister. I agreed.

23. *Q.*—Is this Vidhana Soudha project financed from borrowings ?

A.—It is not from borrowings ; because in the Five-Year Plan there were so many projects included in the plan and we were required to raise fixed amount of loans each year for them. Since the Five-Year Plan was so fixed both on the side of expenditure and borrowings, we could not divert borrowed funds to any other purpose.

Q.—How was it financed ?

A.—From the revenues and cash balances.

Q.—Whether the financial impact on the revenue budget that would be caused by the Scheme was considered ?

A.—Yes. But the requirements of Government for space and future demands compelled us to undertake this expenditure.

TUESDAY—27TH NOVEMBER 1956.

Witness No. 19.

SHRI C. J. VENKATESHA DAS, *Executive Engineer in charge of Stores and Woodwork, Vidhana Soudha Division, Bangalore, states*:—

I was attached to the Buildings Division, Bangalore, for Vidhana Soudha work from 11th December 1952. I and Shri Mukandan were then put in charge of preparing detailed estimates according to the plans given by the Government Architect. We actually started this work about the middle of January 1953. We completed the preparation of the detailed estimates by about May 1953. That estimate was for Rs. 80 lakhs. First we calculated the quantities and made an abstract of quantities. This work being of a special nature, we did not straightaway adopt the rates of the Buildings Division. The rates taken were slightly higher for some special items of work. The estimate of Rs. 80 lakhs was not an excessive estimate but was a proper estimate for the kind of work contemplated at that time.

2. In January 1953, to my knowledge an abstract estimate of Rs. 50 lakhs was not prepared and submitted to the Chief Engineer. I and Shri Mukandan were jointly working on the estimates.

3. I have been in charge of the Stores from the date the Division was formed. My functions in regard to stores were watching the receipts and issues and checking the stores half-yearly. I was not entrusted with the work of the supervision of the stores accounts. The Store-keeper was keeping the accounts and they were being checked by the Divisional Accountant. Up to December 1953, there was no Store-keeper. A Sub-Engineer was in charge of Stores. The Sub-Engineer was discharging the duties of a Store-keeper till then.

4. The monthy and half-yearly stores accounts were being sent to the Division under my signatures. I was expected to satisfy myself that those returns were correct. I was responsible for the proper maintenance of the receipt register, issue register and the stores ledger.

5. The stores were issued by the order of the Special Engineer without reference to me. The purchases were made by the Special Engineer.

6. I have actually counted the cement bags once every half-year. But the date of counting is not noted in the register. But I remember to have counted the bags on the 1st of the counting month. I have not counted the balance for the half-year ending September 1956. I cannot give any explanation for not counting these bags till today.

7. The loans to other Divisions have not been entered in the Issue Register because they were loans. The entries about the return of loans from other Divisions are not made in the Receipt Register.

8. Some transactions of loans to Kempiah Sons and Company have been entered in the Issue Register. When the loan was given to Kempiah Sons and Company on indents, the entry was made in the Issue Register. There is no reason why some loans were given to Kempiah Sons and Company without an indent from the Assistant Engineer. They were issued on letters of the contractor certified by the Assistant Engineer and approved by the Special Engineer.

RESUMED ON WEDNESDAY—28TH NOVEMBER 1956.

9. The note on receipts and issues of cement and the three statements accompanying it which were given to me yesterday have

Witness No. 19.

been seen by me.* They are correct. In the statement of abstract of receipts and issues, a column is added showing the counted balances. The remarks made by me in the half-yearly returns have been shown in the remarks column.

10. As regards the counted balance of 2,732 on 31st March 1956, the remark in the half-yearly return made by me is : There is a difference of 3,650 between the book balance and the counted balance made up of 1,750 bags less, 600 bags loans to other Divisions, 1,000 bags to Industrial Workshop and 300 bags other differences.

11. There is no record of the dates of the counting of materials by me. The counted balances were noted by me in my private note book. I have not brought it. I have not counted the balances for the half-year ending 30th September 1956.

12. The return for the period ending 31st March 1956 was signed by me on 11th August 1956. I have signed it only in token of having counted the stores and for no other purpose. I had not counted the balance of steel. But I have not mentioned it in this return. My unqualified signature on this return carries the impression that I have counted all the materials.

13. I have counted important items in this return and the rest must have been done by my Assistant as he reported to me.

14. I have seen the note regarding the verification of the receipt of steel given to me yesterday. † The note is correct. As regards the statement showing the differences. ‡ I could not verify it for want of time.

15. The statements about the issue of cement to Kempiah Sons and Company, and return from them and the statement of arithmetical errors in the private ledger were given to me yesterday. These statements are correct.§

16. This register was maintained just to have a rough idea of the stock of cement on hand. It was not meant as a check on the Receipt Register or the Issue Register.

17. There is no register of released materials prior to the year 1956. On 25th January 1956, 5 tons 2 cwt. 3 qrs. 2 lbs. of cut pieces of M. S. rods of the length of 4 feet to 5 feet were issued to the Supervisor Honnurappa *vide* indent No. 17 dated 25th January 1956. The relative entry is made in the Issue Register. This must be materials returned by the Supervisors. We have got no record of the materials so received prior to 1956.

18. I received from the Division Office moneys on account always by cheques. I have not maintained a cash book showing amounts received and amounts paid out and the balance. I used to maintain a register showing the cheques received from the Special Engineer. I have not maintained a register to show the day to day expenditure out of these amounts.

19. By 1st April 1953 the Supervisor working under me had prepared a rough detailed estimate of the quantities which were included in the Rs. 80-lakh estimate. I and my colleague Shri Mukundan took about a month more for completing this estimate. It was given to the Special Engineer sometime in May 1953.

(The typed copy of the estimate bearing the signature of the Special Engineer, dated 10th September 1953 shown).

This was got typed by the Special Engineer.

20. Till December 1953 I was placed in charge of all materials, Stores, Division Office work and preparation of estimates. One Supervisor and Shri Mukundan were also doing the estimates work.

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* Document No. 10, Page 101.
† Document No. 11, Page 107.
‡ Document No. 12, Page 112.
§ Documents Nos. 13, 14 and 15, Pages 114, 115 and 116.

Witness No. 19.

A Sub-Engineer was in charge of Stores. Neither the Sub-Engineer nor I had any clerical assistance. I did not ask for any more staff as at that time the volume of work was not heavy.

21. From 1954 I was in charge of stone materials for pillar blocks and slabs, the saw mill and manufacture of wood work, the stores, the Division office work, the earth moving equipment, lorries and stone crushers. I was in fact the Personal Assistant to the Special Engineer and was doing all correspondence. I used to take two to three hours a day for office work. In the later part of 1954 the manufacture of wood work had become very heavy and I requested the Special Engineer to relieve me of the stores work and stone materials work. He asked me to continue. Even before this I was asking for accounts and clerical staff both for stores and woodwork. But it was not given. I am doing the same duties ever since and though I made repeated requests the staff was not given. From 1954 I had three supervisors and one more was added in the beginning of 1956. One was in-charge of earth-moving equipment, lorries and stone crushers. The second was for saw mill. The third one was for manufacture of woodwork. The fourth one was put in charge of slabs. All the Supervisors are Engineering Graduates. Only one clerk was given to the sub-division for doing the sub-division office work. This clerk was given in the later part of 1955 or early part of 1956.

RESUMED ON FRIDAY—30TH NOVEMBER 1956.

22. For payment of nominal rolls, cheques were separately issued. After disbursement, if any small balance remained with me, I used to short-draw it in the next roll.

23. I used to receive cheques for payment of advances to labourers who were paid once in a fortnight and some once a month on nominal rolls. These advances to labourers used to be much less than their earnings. These advances used to be deducted from the next nominal roll.

24. I also used to get amounts on imprest for making purchases of petty store articles and miscellaneous expenses.

25. Every month I used to submit to the Division Office an account of all the cheques received during the month and all the bills paid and the closing balance with me. The closing balance used to consist of paid vouchers which were not accepted by the Divisional Accountant in account and advances outstanding against labourers and cash with me. The cash amounts used to be small amounts. From April 1956 to October 1956, the cash balance varied from Rs. 78-15-9 to Rs. 181-1-9.

26. There is no record of return materials except the relative indents. Those indents are kept in a bundle and they are yet to be entered in a book.

27. The delivery memos 35, 36, 39 and 42 are relating to the loan to other Divisions of 600 bags in March 1956. There are no other delivery memos regarding loans to other Divisions. When the loan is returned by another Division, we acknowledge receipt on their delivery memos. We have got no record in the office of the returns except the Cement Register and the duplicate delivery memos from other divisions. I have personally not received any material given on loan either to other Departments or to Kempiah Sons & Co. This was the work of the Store-keeper.

28. The receipts from Kempiah Sons & Co., have not been entered in the Receipt Register; nor have they been shown in the monthly totals.

MONDAY—3RD DECEMBER 1956.

Witness No. 20.

SHRI B. K. RAMANNA, *Assistant Engineer, Sub-Division No. 6, Vidhana Soudha Division, Bangalore, states :—*

I am in charge of this Sub-Division from about October 1954. I was asked to recruit chiselers from South India and was in charge of dressing work of stones. I was in charge of compiling data sheets of dressing work of other Sub-Divisions for submitting them to the Chief Engineer, and also the data sheets of stone work in my Sub-Division. I was also collecting labour reports of chiselers of all the other Sub-Divisions for submission to the Special Engineer.

2. Prior to October 1954, I was in charge of Mysore Buildings Sub-Division.

3. No separate accounts were maintained in my Sub-Division at Mysore. They were maintained in the Division Office. In Mysore I was not handling any cash. There was only tender contract work there.

4. In the Vidhana Soudha Division, I was receiving cash from the Division for making advances to chiselers and for payment of nominal rolls. I was also receiving advances for recruitment of chiselers. I used to maintain accounts separately for these three types of advances. The undisbursed amounts, I used to keep in my house.

5. The register of receipts and disbursements written in an exercise book shown to me. This book was written by me for compiling accounts about a month or so back. This account relates only to advances to task workers.

6. All the amounts that I received from the Division Office were received by cheques. I used to make a note of them in my private note-book from which I prepared an account in another book which shows the cheque number, the amount and the progressive total of receipts. This book was not written from day to day but at intervals. That account relates to amounts received for cash advances to task workers. In the same book there is another account, showing the amounts received by cheques for payment of nominal rolls. The payments made under nominal rolls are not mentioned in this register.

7. At the time of giving advances to task workers I used to gauge their work myself and make payment. Individual ledgers of the task workers are maintained. The amount adjusted against their work is shown in some cases and not in others.

8. On 19th February 1955 it is stated in the register of advances that the total progress of the worker S. Raju till 19th February 1955 was Rs. 83. In the column of ' total advances outstanding ' Rs. 42 is shown. In this worker's ledger at page 9. no adjustment is shown and the total outstanding against him till that date is Rs. 152. The adjustments are shown in the task work statements, but they are not posted in this ledger.

9. This register of receipts shows large balances remaining with me out of moneys received for payment of advances to chiselers.

Q.—What is your explanation for this ?

A.—I had at no time any money more than Rs. 500. The chiselers would demand intermediate payment during the week and it was being paid unofficially and recovered from their payments at the end of the week. Also the labour employed on smithy who were paid once a fortnight demanded payment every week and these people also were

Witness No. 20.

paid out of the advances received for task workers. These advances to smithy workers were recovered in the nominal rolls when they were paid.

Q.—Why were you keeping Rs. 500 with you ?

A.—To meet demands of chiselers in any contingency.

The advances paid to chiselers are not noted in this payment book on the date the payments were made. They were invariably entered on the weekly payment day. All payments made up to any particular weekly payment day would be found in this payment register. I have not maintained any account of the advances made to smithy workers.

10. As regards the advances received for recruiting labour, I immediately rendered accounts to the Division Office and returned the balance of cash with me and I have not maintained any separate account with me of that. My acknowledgment of the receipt of advances for recruiting labour will show the money received for that purpose. No amount of advances is outstanding against me.

11. On 1st March 1955, I made a requisition to the Special Engineer for payment of Rs. 1,500 as an advance for payment of advances to chiselers. I received this payment by cheque No. A—205195, dated 1st March 1955. The next pay day was 5th of March. On that day I received Rs. 300 from the Division Office and disbursed only Rs. 67 as advances to chiselers.

Q.—Can you tell us from any of these books that you have here how you spent these Rs. 1,500 ?

A.—I will verify and give an answer.

Q.—Have you got any other record for payment to chiselers than those placed here for March 1955 ?

A.—No Sir.

12. On 15th January 1955, I received a cheque of Rs. 58-8-0 and on 3rd February 1955 a cheque of Rs. 124-8-0. They are not entered in the account of chiselers. These amounts were received for payment to chiselers directly on the task work statements and they have been so paid. The original task work statements would be found in the Accountant General's Office.

13. I have got a cash balance report register in which the opening balance with me, the cheques received, the accounts rendered each month and the balance are noted.

RESUMED ON TUESDAY—4TH DECEMBER 1956.

14. Out of Rs. 1,500, I received on 1st March 1955, I made advances to chiselers amounting to Rs. 511 on 1st March 1955 and Rs. 578 on 5th March 1955. These payments are noted in a separate exercise book. The balance is with me. These payments were made to 47 chiselers who were recruited by me. Since they had not started work, these payments were noted in a separate book.

15. The ledger account of V. Sankalachari is maintained at page 64 showing advances given to him from time to time. In the task work statement, dated 3rd September 1955, the advances shown against him up to and inclusive of that date are shown as Rs. 618-12-0 and the work done as Rs. 618-12-0, and that the whole advance has been recovered and nil is due to him. In the ledger the total advance inclusive of the advance on 3rd September 1955 is only Rs. 551-7-0. I will examine my records and file a statement reconciling this discrepancy.

16. I did not maintain any account of the stones required for this chiselling work. That account was maintained by the Executive

Witness No. 20.

Engineer, No. 2 Sub-Division. When I received the stone blocks for work, no acknowledgment was demanded from, nor did I give one.

17. The task work system is stopped from July 1956 and further work is done on nominal rolls.

18. I have with me Rs. 411 out of the advance that I received on 1st March 1955. I have also with me Rs. 197-3-0 as shown in this register of receipts and disbursements. On 7th August 1956, I returned Rs. 701-3-0 cash.

Q.—Why did you not return the remaining amount with you ?

A.—I had to verify my accounts before returning the amount. I was not keeping this amount received from Government mixed up with my private cash but separately.

Q.—Then why did you not return the balance of the amount ?

A.—I cannot give any explanation.

19. I have been receiving cheques from the Division Office even after 7th August 1956 but their account is separately kept because they pertain to pulmani work in Central Division (No. 4).

20. *Q.*—Since you were not to receive any further cheques for the task work, why did you not return the balance of Rs. 197-3-0 to the Division Office ?

A.—I cannot explain. I will return the amount to-day if there is time or tomorrow.

FRIDAY—7TH DECEMBER 1956.

Witness No. 21.

SHRI A. V. SHIVAGNANAM, *Store-keeper, Vidhana Soudha Division, states* :—

I am Store-keeper since December 1953. The scantling pieces were not taken to released materials account. The scantling pieces were sold during the period from about November 1954 to January 1955. There must have been about 10 or 15 sales. They were broken pieces of scantlings and they contained about 5 per cent to 10 per cent of broken pieces of planks. The planks, scantlings and reepers were not taken into stores account. I had conducted these sales by the order of the Special Engineer. I sold these materials under the orders of the Special Engineer because they were dumped in the stores compound. The total quantity sold was 25 tons, 10 cwt., 1 qr. and 17 lbs. I have not made any other sales. I have no idea how much a cubic foot of this material will weigh.

2. The centering materials, namely, planks, scantlings and reepers, were not received by me when they were purchased but were delivered at the work spot, and the officers in charge issued indents for those materials. Thereafter, I entered the receipts and also the issues in the Stores Registers. I never verified the quantities. The bills were prepared by the suppliers and on most of the bills there was an endorsement by the Sectional Officers of the receipt of the materials. On the basis of that, I used to endorse those bills. As regards the rest, I used to verify the quantities from the indents received from the Sectional Officers. This procedure was also adopted for casuarina poles. I objected that these materials should not pass through the stores account. But the objection was overruled.

3. In a few cases, the issue of materials from the stores was not preceded by the relative indent. The indent was received later on. These issues were made on the orders of the Special Engineer.

4. On 23rd May 1956 the Sub-Divisional Officer had passed an order that the amount of Rs. 2,277-8-0 standing against Shri Somasekhar should be debited to the contractor, Messrs. Blue Star Engineering Company to whom the material was supplied by the Supervisor. Because these indents of Shri Somasekhar did not mention the name of the contractor, though they were sale indents, I classified these issues under 'Miscellaneous Advances'.

FRIDAY—7TH DECEMBER 1956.

Witness No. 22.

SHRI M. B. KRISHNA IYENGAR, *Executive Engineer, Vidhana Soudha Division, states :—*

Before 15th November 1956, I was Officer-in-charge of Sub-Division No. 4, *i.e.*, the Central Section. I came to this Division in August 1953. The foundation of the Central Dome was started in about March 1954. The calculations for the foundations were completed by me before I took up the work on the basis of a plan furnished to me by the Special Engineer showing the height of the Dome as 161 feet. The calculations were approved by the Special Engineer before I started the work. The calculations were submitted to the Special Engineer on 2nd March 1954. These calculations were not approved in writing either by the Special Engineer or by the Chief Engineer or by both.

2. I was not given a copy of the Rs. 50-lakh estimate. I prepared the detailed estimate of the Dome for the purpose of Rs. 130-lakh estimate on the basis of this drawing of the Dome of 161 feet.

3. All the Assistant Engineers jointly prepared a detailed estimate and it amounted to Rs. 115 lakhs for civil works of the Building. The provision made in the Rs. 115-lakh estimate for the Central Dome was reduced by the Special Engineer. He also reduced the provisions for other items and reduced the estimate by about Rs. 13 lakhs.

4. I got the altered drawing for 192 feet height of the Central Dome sometime about November 1955. This is for the portion above the terrace. By that time we had reached the third floor terrace level. I knew that the third floor was to be put up when its work started towards the end of 1954 or the beginning of 1955. I was working on the original plan till I got this drawing in November 1955. My impression was that the height of the Dome would be the same even if the third floor was added and I proceeded on this assumption.

5. No written approval of the Chief Engineer or the Government was obtained for this major deviation of heightening the Dome from 161 feet to 192 feet. This was finalized by the Chief Minister in the presence of the Special Engineer.

6. Immediately after I received this altered drawing, I prepared calculations and submitted them on 21st December 1955 to the Special Engineer for communication of approval. After some correspondence, they were submitted to the Chief Engineer for approval. The Chief Engineer's approval has not yet been received by me so far as this set of calculations is concerned. The work proceeded in accordance with the altered design.

7. These alterations added to the cost and they added to a certain extent to the load also.

8. The second set of calculations consequent on the further alterations in the design and addition of weight were submitted by me in February 1956. We have not yet received any approval to these calculations. But I have received an approved modified drawing by reducing the height to 175 feet sometime in November 1956. I stopped the work of increasing the height of the Dome sometime in July 1956 pending decision.

Witness No. 22.

9. On 20th June 1956 I submitted a report to the Special Engineer requesting him to get the designs suitably modified to reduce the stresses on the pillars to a safe allowable limit, and I informed him that further work could not be undertaken unless this question was decided.

10. On 2nd August 1956 the Special Engineer placed before the Technical Committee a proposal of strengthening the R.C.C. columns of the main Dome in order to take additional weight due to increase in the height of the Dome, and the point was referred to the Chief Engineer for scrutiny and disposal.

11. The usual procedure is that whenever a work is given to an Assistant Engineer, he should be given the detailed drawings, specifications and the sanctioned estimates to proceed with the work, and whenever any deviations are made in them, he should be intimated. But in Vidhana Soudha, the works were carried out on the personal instructions of the Special Engineer.

12. *Q.*—What were the facilities afforded to you both in regard to executive and accounts matters as your Central Section was the heaviest ?

A.—I had no Clerk till about June 1955 in spite of my asking for facilities. I had sent three letters dated 30th March 1955, 20th May 1955 and 25th June 1955 asking for the necessary facilities. There are some letters sent earlier also. There was no response.

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PART B.

DOCUMENTS PRODUCED BY WITNESSES.

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2	Summary of estimates for the layout of Vidhana Soudha Garden (Witness No. 1, para 3)	92
3	Estimate I for providing electric lights, fans, heating circuit and power supply to electric lifts, air-conditioning plant and for providing sound reinforcement system to both lower and upper Houses of Vidhana Soudha (Witness No. 8, para 28).	93—95
4	Statement showing excess over the original sanctioned estimate in the Revised Estimate for Vidhana Soudha Electrification Works (Witness No. 8, para 30)	96—97
5	Statement of sanitary fittings provided in several floors of Vidhana Soudha (Witness No. 13, para 8)	98
6	Statement of discharge of water from the High Level Reservoir to the Sump Tank of Vidhana Soudha through pipes of different sizes (Witness No. 13, para 36)	99
7	Estimate for the maintenance of the Water Supply and Sanitary Connections in Vidhana Soudha (Witness No. 13, para 36).	99
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9	Certificate of Chief Accounts Officer, Electrical Department for Sound Reinforcement Equipment (Witness No. 15, para 2).	100
10	Statement of receipts and issues in the Divisional Stores (Witness No. 19, para 9)	101—106
11	Note on verification of steel sections in Vidhana Soudha Division (Witness No. 19, para 14)	107—111
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13	Cement Loan Account to Messrs. Kempiah Sons & Co. (Witness No. 19, para 15)	114
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PART B

Documents produced by Witnesses

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Document 1

Estimate of recurring charges for the maintenance of Vidhana Soudha Gardens, Bangalore.

[Sent to Government in No. 1166—H., dated 9th March 1955.]

		Pay.	*D.A.*		
		Rs.	Rs.	a.	p.
Overseer 1 (100—8—140—10—200)	...	100	27	8	0
Head Gardener 1 (35—40), 1 (30—35)	...	65	2 (23) 46	0	0
Gardeners 4 (18) ...	...	72			
4 (15) ...	...	60			
4 (12) ...	...	48	14 (20) 280	0	0
Sweepers 2 (18—½—22)...	...	36			
Watch and Ward—					
Headmen 1 (35—40), 1 (30—35)	...	165	2 (23) 46	0	0
4 (25—30)	...	...	4 (20) 80	0	0
Total per mensem	...	546×12	479	8	0×12
Per annum	...	6,552	+ 6,754	0	0=12,306 per annum.
Temporary Labour—					
10 (18) ...	180				
15 (15) ...	225		40×20=800×12=		
15 (12) ...	180				
	585×12=7,040		+ 9,600	0	0=16,640
Contingencies	...	...	...		10,000
Other charges	...	...	...		8,000
Water charges	...	...	...		7,000
		Total	...		53,946

M. H. MARI GOWDA,

Superintendent, Government Gardens.

Document 2

Vidhana Soudha Gardens.

Permanent Establishment—

Overseer 1 (100—8—140—10—200).

Maistry 1 (35—40), 1 (30—35).

Gardeners 3 (18), 3 (15), 2 (12).

Sweepers 2 (18—½—22).

Watch and Ward 1 (35—40), 1 (30—35), 4 (25—30).

Expenditure up to date—Rs. 12,068.

Temporary Establishment—

Gardeners 10 (18), 5 (15).

To be spent under Non-recurring charges during 1956-57 ... Rs. 5·75 lakhs.—

Rs.	
(1) 1,59,185	Is sanctioned in Government Order No. A.F. 12873-6—GG. 13-55-7, dated 16th March 1956 for supply of water from bore-wells;
(2) 50,000	For laying out distribution pipes for supply of water to the gardens from bore-wells;
(3) 20,000	Proposals are sent up to Government in letter No. 919—H., dated 10th October 1956 to purchase a tractor.
(4) 1,04,000	An estimate for the layout of garden is sent to Government in letter No. 1166—H., dated 9th March 1956.
(5) 22,000	This amount is proposed to be spent for the works connected with the layout of garden works done by the Public Works Department.
(6) 2,20,000	This is proposed to be spent for the layout of ornamental fountain in Vidhana Soudha gardens.
5,75,185	Total.

M. H. MARI GOWDA,

Superintendent, Government Gardens.

Document No. 3.

Government of Mysore. *Electrical Department.*

Providing Electric Lights, Fans, Heating Circuit and providing Power Supply to Electric Lifts, Air Conditioning Plant and providing Sound Reinforcement System to both Lower and Upper Houses of Vidhana Soudha, Bangalore.

ESTIMATE—I

No.	Estimate	Particulars of Estimate	First Estimate sent to Government	Estimate	
				Sanctioned	Revised
A—			Rs.	Rs.	Rs.
1	A	Providing Electric Lights and Fans to the basement floor, Vidhana Soudha.	32,650	31,096	44,880
2	B	Providing Electric Lights and Fans to the Ground Floor ...	1,36,450	1,14,751	1,65,244
3	C	Providing Electric Lights and Fans to the Dining Hall and Lobby.	89,950	58,113	85,625
4	D	Providing Electric Lights and Fans to the First Floor and Upper House.	1,86,300	1,29,179	2,23,056
5	E	Providing Electric Lights and Fans to the Second Floor ...	1,40,700	1,15,805	1,54,609
6	F	Providing Electric Lights and Fans to the Assembly Hall (Lower House) and adjoining Lobbies.	1'35,500	1,09,235	1,74,187
7	G	Providing Heating Circuit	19,750	16,912	21,242
8	H	Providing Power Supply to Five Electric Lifts ...	31,900	31,900	34,685
9	I	Providing Power Supply to Air-Conditioning Plants (Forced Ventilation System).	7,300	7,276	11,090
10	J	Providing Flood Lights	50,000	Deleted	
11	K	Providing Control Panel Board	25,050	25,060	27,250
12	L	Providing Sound Reinforcement Equipment for both Lower and Upper Houses.	1,67,600	95,541	Omitted, since revised Estimate has already been sent up.

Document No. 3—*contd.*

No.	Estimate	Particulars of Estimate	First Estimate sent to Government	Estimate	
				Sanctioned	Revised
			Rs.	Rs.	Rs. a. p.
13	L(*a*)	Contingencies and Rounding	...	3,395	4,297-14-0
14	M	Construction Establishment Charges	6,850	72,147	87,834- 2-0
15	N	Tools and Plant and Testing Equipment L.S. ...	...	5,000	6,000- 0-0
		Total {(Estimate for Electrical works of III floor not included)	10,30,000	8,15,400	10,40,000 (Without III floor Estimate).
		{18% S.T. and P.	1,85,400		
		Grand Total	12,15,400		
ESTIMATE—12 ABOVE—					
		Revised Estimate for Providing Sound Reinforcement Equipment for both Lower and Upper Houses. (Estimate—L, Item 12 above).	Construction Est. 68,647 Tools and Plant... 5,000 Total ... 73,647*		2,90,000 (For Sound system work).
					13,30,000
ESTIMATE—II—III FLOOR—					
		Revised Estimate for providing Electric Lights and Fans to the III Floor.			1,69,000 For III floor Elect. works.
				Grand Total ...	14,99,000

This is for Electrification Works of Vidhana Soudha for all the Floors and Power Supply to Electric Lifts and Air-conditioning Plants and Heating Circuit in the Kitchen and for Providing Sound Reinforcement Equipment for Lower and Upper Houses.

Certified that necessary provision will be made in the current year's budget and further provision will be made in the succeeding years' Budgets to take one of the expenditures and sent the bills of the Electrical Department will be met as and when preferred for payment.

* (This will be met out of Rs. 1,85,400 being 18% S.T. and P. charges.)

(Sd.) M. MUNIYAPPA,
Special Engineer, Vidhana Soudha,
5-4-1954.

Document No. 3—*concld.*

G. O. No. 3260-62 *Elecl.* 160-54-5, *Bangalore, dated* 20*th September* 1954.

Pending consideration of the detailed Estimate for Rs. 12,15,400 forwarded by the C.E.E. for providing Vidhana Soudha with the Electrical fittings the salary aud the allowances of the existing construction staff is authorised to be admitted in audit till December 1954.

Audit Certificate.—Certified with reference to allocation.

(Sd.) M. L. MURTHY RAO,
For *C. A. O. on Tour,*
26-4-1954.

B.—*Estimate sanctioned under Civil Engineering Provision in Vidhana Soudha Funds*—

			Rs.
1.	Estimate for Providing Electric Clocks to Vidhana Soudha, Bangalore	... ...	29,500
2.	Estimate for Providing Lightning Conductors to Vidhana Soudha Building, Bangalore	... ...	34,000
3.	Providing Exhaust Fans to the Basement Floor at Vidhana Soudha, Bangalore	... ...	10,304
4.	Do do do	... ...	3,900
5.	Providing Electric Lights to the Garages at Vidhana Soudha, Bangalore	... ...	3,106
		Total ...	80,810

A

A.— I	Estimate belonging to Electrical side carried out by the Electrical Department ...	... 14,99,000
B.—II	Estimates sanctioned under Civil Engineering Provision in Vidhana Soudha Funds	... 80,810
	Grand Total	... 15,79,810

(Sd.) .....
Superintendent,
P. & L., City Area.

Document No. 4.

Statement showing Excess over the Original Sanctioned Estimate in the Revised Estimate for Vidhana Soudha Electrification Works.

	Excess Rs.	*Remarks*
Estimate "B"—Ground Floor—		
Item No. 17. Lighting fittings ...	30,450	Outlets increased from 530 to 606, *i.e.*, 76 fittings extra, and Rate increased from Rs. 55 to 100 being superior equipment.
Item No. 1 to 22. Except item 17...	15,773	Due to increase in the Market Rate.
Item No. 23 consequent excess in 10 per cent stock incidentals.	4,245	.....
Total excess ...	50,468	
Estimate "C"—Dining Hall and Lobby—		
Item No. 17. Lighting fittings ...	6,050	Type of fittings approved by the Chief Minister were ordered. No. increased from 90 to 110, *i.e.*, 20 extra fittings and Rate also increased from Rs. 55 to 100 average.
Item No. 18. Banquet Hall Lighting	17,505	Scheme and type of lighting fittings provided as approved by the Chief Minister and Technical Committee. Hence excess.
Item Nos. 1 to 21 except item 17 & 18	3,118	Increase in the Market Rate.
Item No. 22. Consequent increase 10 per cent stock incidentals.	2,394	.....
Total excess ...	29,067	
Estimate "D"—First Floor including Upper House—		
Item No. 15. Lighting fittings ...	33,475	Increase in number from 325 to 481 and rate of fittings from Rs. 45 to Rs. 100 including pendents.
Item Nos. 16 and 17. Special scheme of lighting ornamental bracket, etc., for the Upper House (Council Hall).	42,170	Increase in the area of lay lighting and the type of ornamental special light fittings.
Item Nos. 1 to 22. Except 15, 16 and 17.	9,924	Due to increase in Market Rate.
Item No. 23. Consequent increase at 10 per cent stock incidentals.	8,354	.....
Total excess ...	93,923	

	Excess Rs.	*Remarks*
Estimate "E"—Second Floor Vidhana Soudha—		
Item No. 15. Lighting fittings ...	21,750	Increase in number from 437 to 481 and rate of fittings from Rs. 50 to 100 including pendent.
Item No. 1 to 23 ...	14,836	.....
Item No. 24. Consequent increase at 10 per cent Stock incidentals.	3,288	.....
Total excess ...	39,874	

Estimate "F"—Lower House and Adjoining Lobby—

Item No. 19 and 20.	Special scheme of lighting.	54,180	The lay lighting area and cove lighting increased in the final construction. Type of ornamental fittings of approved type had to be provided.
Item No. 1 to 25 excluding item 19 and 20.		4,938	Increase in cost of Market Rate.
Item No. 26 consequent increase at 10 per cent stock incidentals.		5,805	.....
	Total excess ...	64,923	

ABSTRACT.

		Rs.
In Estimate "B" Excess	...	50,468
"C" ...	...	29,067
"D" ...	...	93,923
"E" ...	...	39,874
"F" ...	...	64,923
Total	...	2,78,255
Sound system Estimate "L". Excess	...	1,94,459
Other Estimates from A to M except B, C, E, E, F and L. Excess.		41,886
Total excess	...	5,14,600

		Rs.
Revised Estimate	...	10,40,000
plus Sound	...	2,90,000
Total	...	13,30,000
Original Estimate	...	8,15,400
Excess	...	5,14,600

Document No. 5.

Estimate provision of Flushing Tanks, Wash Basins, etc., in several floors of Vidhana Soudha.

Serial No.	Names of Places	H.C's.	E.W's.	Urinals	W.HB.	3-Gallon flushing tanks	1-Gallon flushing tanks	3-Gallon auto-flushing tanks	Wash water in basins
	Community Latrines S.E. Wing								
1	G.F. 1, 2nd, 3rd=4 ...	16	4	8 units of 3 each.	24	20	...	12	
2	Do in N.W. Wing. G.F. 1st, 2nd, 3rd=4.	16	4	8 Units	24	20	...	12	
3	Toilets for Gents ...	9	6	6 Units	12	15	...	6	
4	Do Ladies ...	9	6	6 Units	12	15	...	6	
5	Lounges in West Assembly Hall.	...	...	6 Units	12	...	...	6	
6	Ministers and Speaker and Chairman.—Total 13.	...	13	13	13	13	13	...	
7	Bathrooms of Secretaries ...	..	25	...	25	25	...	...	
8	Bathrooms of Assistant Secretaries.	...	...	...	40	...	...	...	
9	Rajpramukh and Chief Minister and Cabinet.	...	3	3	3	3	3	...	
10	Upper House ...		2	4	8	2	...	3	
	Total ...	50	63		173	113	16	45	

(Sd.) M. S. NARASIMHA SASTRY,
Executive Engineer,
6-11-56/8-11-56.

Document No. 6.

Discharge in Pipes of Varying Sizes tapped from a 15" main (assuming the main always running full).

From Hazen and Williams Formula Table CLVII (from Maryatts Specification on Water Supplies).

$V = Cr^{0.63} \times s^{0.54} \times 0.001^{-.004}$ Value of C = 90.

8" diar	394	G.P.M.	or 0·56827	G.P.D.	(Million Gallon)
6" diar	185	G.P.M.	or 0·26657	G.P.D.	(do)
4" diar	63	G.P.M.	or 0·09182	G.P.D.	(do)

Length of Pipes taken as 1,200 ft.
Static drop from Gravity Main 11 ft.

(Sd.) M. S. NARASIMHA SASTRY,
Executive Engineer,
8-11-1956.

Document No. 7.

PUBLIC WORKS DEPARTMENT.

Details of estimate for the maintenance of Water Supply and Sanitary Connections in Vidhana Soudha.

Item No.	Description of Work	No.	Measurement L.	B.	D.	Contents	Total
(a)	*Staff for Supervision and work.*						Rs.
	Sanitary and Water Supply inspector qualified for repair works on Installations on 60—5—100 D. A. 28.	Each.	60 28	...	...	One	88
	Scavengers and Cleaners on 18—1—30 D. A. 23.	...	43	...	...	12	516
	Pump Operators two on 40—2—60 plus D. A. 28.	Each.	70	...	...	2	140
	Water Supply Fitter One 30—3/2—45 Plus D. A. 28.	...	60	...	...	1	60
	Water Supply Helpers two 18—1—30 D. A. 23.	...	43	...	...	2	86
	Monthly Total Establishment Charges ...	...	...	...	...	...	890
(b)	Power charges for working the 15 H. P. Pump for six hours.	Supdt., B.P.L. is addressed.					
(c)	Sundry stores for water supply ...	Ascertained Rs. 100 p.m. approximately.					
	(a) Consumable stores such as Grease Oil Waste Hyd, Leather, Polish, etc.	LS		1			Rs. 10
	(b) Water supply Fittings for replacement of damaged or Broken and moving parts.	LS		...			50
	c) Sanitary fittings parts for sundry replacement—Polishing Vim towels etc.	LS		...			50
	Total ...	...		...			110

Total cost of materials and Labour and Power charges for one month Rs. 1,100.

For one year 1,000×12=Rs. 12,000
Add Power charges—Average=Rs. 1,200

Total ... 13,200

(Sd.) M. S. NARASIMHA SASTRY,
Executive Engineer,
7—11—1956

Document No. 8

The following rates of Sanitary Fittings are ascertained from the Divisional Stores:—

1. Shanks Pedestal Wash Hand Basin with original fittings. — Rs. 195 each plus S.T. at 0-1-0.

2. Parrys (Indian) W.H.B. 1 ... Rs. 30

Fittings for above—

		Rs.	a.	p.
(a)	Swan neck C.P. Tap ...	7	10	0
(b)	Waste Chain and Plug ...	5	0	0
(c)	Lead Pipe ½" connecting 1½ ft. ...	3	0	0
(d)	Wheel valve ½" 1 ...	4	12	0
(e)	Brass Unions 2 at Re. 0-10-0 ...	1	4	0
	1¼" Brass Union 1 ...	1	4	0
(f)	1¼" waste pipe at Re. 1-10-0 3 ft. ...	5	0	0
	½" Brass Nipple at Re. 0-10-0 ...	0	10	0
(g)	Sales Tax on the above ...	1	13	6
	Total for each ...	60	6	0

3. Water closets Parrys or Always (Indian) at ... 15 8 0+S.T.

4. E.W.C. (Zech.) with Duro Plastic Seat and C.P. hinges and rubber buffers at ... 78 0 0+S.T.

5. Flush Tanks—

		Rs.	a.	p.	
3" Gall. high level C.I. at	...	47	0	0	Sales Tax extra
3" ,, low level C.I. at	...	54	0	0	
3" ,, white glazed low at	...	150	0	0	
3" ,, Automatic at	...	135	0	0	
1 Gall. ,, Urinal at	...	42	8	0	
Lip urinal flat back (Indian)	...	15	0	0	
—— Shanks	...	65	0	0	

7. Mirror bevelled edge 24×18 with Plywood backing each ... 31 14 0 Inclusive of S.T.

8. 6" white glazed channels of 2' ... 10 0 0 Each
White glazed urinal slabs 21"×14" ... 135 0 0 Each

9. White glazed tiles 6"×6" per dozen ... 6 12 0
White glazed angles 6" per dozen ... 4 8 0
Cost per sq. including fixing ... 380 to 400

.....

Executive Engineer,
8-11-56.

Document No. 9

NOTE, DATED 29TH DECEMBER 1955.

Providing sound reinforcement equipment for both Lower and Upper Houses at Vidhana Soudha.

There is a provision of Rs. 95,541 for this work in the estimate sanctioned in G.O. No. E.D.S. 5226-228, dated 29th December 1954. But the cost of the proposed purchase is Rs. 2,59,971-9-0. It is stated in the letter of the Chief Electrical Engineer that the increase is due to doubling of accommodation for the Legislature and Council and that necessary provision will be made in the revised estimate for this work. If approved, the following certificate will be furnished.

(Intd.) *Supdt.*

'Certified that there is a provision of Rs. 95,541 only for this work in the estimate sanctioned in G.O. No. E.D.S. 5226-228, dated 29th December 1954. It is noted that the extra cost will be taken care of in the revised estimate to be submitted to Government in due course.'

(Intd.) R.V.S.,
29-12-55,
Chief Accounts Officer,
Electrical Department.

Document No. 10

Shown to Witness No. 19 on 27th November 1956 and referred to in para 9 of the deposition today.

(Sd.) P. P. DEO,
Chairman.
28-11-1956,

Receipts and issues of Cement in the Divisional Stores.

I have examined the Receipts and Issues of Cement from April 1953 to 22nd October 1956.

Receipts.—The receipts of cement as noted in the receipt registers have been examined from the following records :—

(1) Railway Receipts Register.

(2) Railway Delivery Notes.

(3) Invoices from the firms.

and the following important mistakes are noticed.

(A) On 4th May 1955, there is an entry of 1,750 bags of cement in the Receipts Register. This is not supported by any Railway Receipt or relative Delivery Note. No bill is passed pertaining to this. This must be an erroneous entry inasmuch as there is a receipt of 1,750 M.S. rods on that date. These 1,750 rods of iron are accounted for under that head of account also. The monthly accounts of cement have, however, been compiled taking into account these 1,750 bags also. This error continues till today.

(B) During October 1955, there is a short total of 100 bags of cement. The total taken to monthly accounts is 14,372 bags as against the actual receipt of 14,472 bags.

(C) Two hundred and fifty bags of cement received from Water Supply Division during June 1954 is not at all taken to account till this date although the relative advice of transfer of Water Supply Division is accepted. How this is done without accounting for it in the receipt register requires a clear explanation.

Issues.—The Issue Registers have been completely verified with all the indents from the commencement of the Division. A monthwise statement of issues of cement to each Supervisor and other contractors has been prepared after careful verification of all the indents.

The following important omissions noticed have been enumerated :—

December 1953. (*a*) Two hundred bags of cement issued to Sri Balakrishna, Supervisor during December 1953 *vide* Indent No. 129, 8th December 1953 is entered twice in the stock issue register, thereby reducing the stock balance by 200 bags in excess over the actual issue.

The materials at site account of the Subordinate shows only 200 bags.

January 1954. (*b*) One hundred and fifty bags of cement issued to Sri Balakrishna during January 1954 *vide* Indent No. 216—172, dated 9th January 1954 is omitted in the issue register and consequently in the monthly accounts.

The subordinate has taken this receipt to his materials at site account.

April 1954 (*c*) Two hundred bags of cement are issued to Sri Balakrishna during April 1954 and are accounted in the stock issue register as 200 skeins of Coir rope ; thus there would be an excess of 200 bags of cement and a shortage of 200 skeins of coir rope in accounts than actuals.

The subordinate has, however taken correctly in his account.

August 1954. (*d*) Five bags of cement issued to Sri Visvanath, Supervisor *vide* Indent No. 144—116, dated 9th August 1954 are accounted as H.S.D. Oil in store account.

October 1955. (*e*) Two hundred bags issued to Sri Balakrishna, Supervisor, are shown in the issue register as only 2 bags.

The subordinate has taken 200 to his account.

November 1955. (*f*) One hundred and twenty bags are issued to Sri Boriah Basaviah & Sons, contractors, during November 1955 whereas the stock accounts have been charged with only 100 bags, thus omitting the account of 20 bags. The contractors have been charged with the cost of only 100 bags.

December 1955. (*g*) One hundred and sixty bags have been issued to Sri Honnurappa, Supervisor during November 1955 while the stock accounts show only 150, thus omitting 10 bags in account.

March 1956 (*h*) One thousand bags issued to Central Industrial Workshop on 30th March 1956 are taken to account in September 1956, *six months after the issue*. How this huge quantity had been omitted to be accounted for all these six months, is a point for consideration.

March 1956 (*i*) Forty-four gallons of H.S D. Oil issued to Sri Panduranga Rao, Supervisor, *vide* Indent No. 50, dated 1st March 1956 are accounted for as cement. The monthly total of 10,187 bags of cement shown as issued during March 1956 includes this 44 also.

May 1956 (*j*) Two hundred bags of cement issued to Sri Balakrishna, Supervisor, *vide* Indent No. 33—May 1956 are omitted in stock account; nor is there any relative indent in the Indent file. The Supervisor has noted these 200 bags in his materials at site account. Indent since traced and produced.

Taking into account all the above factors into consideration both with regard to Receipts and Issues of cement, a statement showing the receipts and issues for each half-year as they ought to be is prepared and put up. The closing balances thus arrived are compared with the closing balances noted in the respective half-yearly return of stock. It is seen that the two figures are widely different.

A similar statement as per their books is also prepared and it is seen that the receipts and issues as they ought to have been, differ from these figures in many cases.

Besides the above, there are a number of indents with corrections not initialled by the Officers concerned. In a large work like this where the issues are continuous and in large quantities both from the stores and from the Sub-divisions to works, these corrections play an important part.

The following few instances are given:—

(1) *Indent No. 59—113 dated 30th July* 1954.—Issue of 200 bags of cement to Sri P. V. Somasekhar, Supervisor—100 is changed to 200. (Subordinate has taken to his account 200.)

(2) *Indent No. 1 dated 1st April 1955* —Cement issued to Sri. M. R. V. Pathy changed from 200 to 100 and again to 1 0. Both the figures 100 and 150 are retained. The I.R. shows 150. (M.A. site account also shows 150).

(3) *Indent No. 9—139, dated 16th April 1955.*—Issued to Sri Balakrishna Supervisor—150 is changed to 300. I.R. shows 300 and materials at site account also shows 300.

(4) *Indent No. 170, dated 18th April 1955 to Sri M. R. V. Pathy.*—200 bags are issued. There are a number of corrections and overwritings. Issue Register and materials at site account show 200 bags.

(5) *Indent No. 213, dated 22nd April 1955 to Sri M. R. V. Pathy, Supervisor.*—The figures in the indent are 150, 100, three hundred. The I.R. shows 150 and the materials at site account also shows 150.

(6) *Indent No: 67—C. 12, dated 28th April 1955 to Sri M. R. V. Pathy.*—Two hundred is corrected to 400. Orders of the officer are to issue 200 bags whereas the issue is 400. I. R. shows 400 and the subordinate's materials at site account shows also 400.

(7) *Indent No. 86—508, dated 19th October 1955 to Sri Boriah.*—Ten changed to 20. I.R. shows 20. Materials at site account also shows 20.

(8) *Indent No. 381, 17th March 1956 for 25 bags of cement issued to Sri Vasudeva Chetty Supervisor.* The original Indent is for Coir Rope for scaffolding. The item Coir Rope is struck off and 25 bags of cement entered in its place. Name of the work "scaffolding" is not changed. There are no initials for change of cement to coir rope. (The account of the Supervisor shows the receipt of 25 bags of cement against this indent).

(9) *Indent No. 631, dated 28th March 1956 to Sri Honnurappa, Supervisor.*—Issue of 2,800 bags of cement for R.C.C. work: Main Dome: No officer has signed the indent copy filed in the store section. (In this connection, a separate statement showing the excess issues to works, over the actuals required, is put up.)

On a perusal of the issues of cement by this subordinate during March 1956, it is seen that there have been excess issues, over the actual requirements in a number of cases. A separate statement is put up in this connection. (*Vide* Annexure No. ..., Vol. III.)

(10) *Indent No. 211—7th August 1956 to Sri Honnurappa.*—100 is changed to 200 and this change is noticed in the issue register also. Materials at site account shows 200.

General.—The Indents have not been checked with the issue register and monthly stock abstract of issues by the Accounts Branch for the greater portion of the period. Thus many errors of various categories have occurred and are remaining unrectified so far.

Indents to the extent of 1,180 bags (1,080 bags issued from 8th October 1956 to 20th October 1956 and 100 bags issued in September 1955) *vide* statement 3 enclosed, were produced at the time of counting. It is seen that these indents though issues were made earlier, were not posted in the issue register.

STATEMENT No. 1.

Abstract of Receipts and Issues of Cement at the end of each half-year.

Sl. No.	Period	Opening Balance	Receipts	Total	Issues	Closing Balance as it ought to be	Closing Balance as per stock Register	Difference	Counted Balances	Remarks
1	From 4/53 to 9/53 ...	...	30,601	30,601	24,899	5,702	5,713	11	...	...
2	,, 10/53 to 3/54 ...	5,702	34,384	40,086	37,804	2,282	2,243	39	2,243	No remarks.
3	,, 4/54 to 9/54 ...	2,282	49,804	52,086	50,211	1,875	1,791	84	1,791	No remarks.
4	,, 10/54 to 3/55 ...	1,875	48,520	50,395	49,418	977	893	84	113	780 Loans to other Divisions.
5	,, 4/55 to 9/55 ...	977	58,445	59,422	59,222	200	2,166	1,966	216	1,950 bags less.
6	,, 10/55 to 3/56 ...	200	59,608	59,808	56,476	3,332	6,382	3,050	2,732	...
7	,, 4/56 to 9/56 ...	3,332	40,882	44,214	41,821	2,393	...*	...	...	*The balance is not struck.
8	,, 10/56 to 22nd October 1956.	2,393	1,315	3,708	1,091	2,617	...	...	...	...
9	Issues as per Indents (Not yet entered in the Issue Register) Produced at the time of counting.	2,617	...	...	1,180 *Vide* separate statement enclosed	1,437	(Counted Thus	balance there is	1,507 on an excess	22nd October 1956.) of 70 bags.
	Total ...	3,23,559	...	...	3,22,122	...	...	...	...	

Receipts and issues noted have been checked and found correct as per invoices and indents.

(Sd.) A. V. SIVAGNANAM,
Store-keeper.

STATEMENT No. 2.

Abstract of receipts and issues of Cement at the end of each Half Year, as per Accounts sent to the A. G.

The Balances as per accounts checked up with invoices and Indents are shown in *Red Ink.*

Sl. No.	Period	Opening Balance		Receipts		Total		Issues		Closing Balance		Remarks
		As audited	As per books	As audited	As per books	As audited	As per books	As audited	As per books	As audited	As per books	
1	From 4/53 to 9/53 ...	...	...	30,601	30,601	30,601	30,601	24,899	24,888	5,702	5,713	
2	,, 10/53 to 3/54...	5,702	5,713	34,384	34,384	40,086	40 097	37,804	37,854	2,282	2,243	
3	,, 4/54 to 9/54...	2,282	2,243	49,804	49,554	52,086	51,797	50,211	50,006	1,875	1,791	
4	,, 10/54 to 3/55...	1,875	1,791	48,520	48,520	50,395	50,311	49,418	49,418	977	893	
5	,, 4/55 to 9/55...	977	893	58,445	60,195	59,422	61,088	59,222	58,922	200	2,166	
6	,, 4/55 to 3/56...	200	2,166	59,608	59,508	59,808	61,674	56,476	55,292	3,332	6,382	
7	,, 4/56 to 9/56...	3,332	6,382	40,882	40,882	44,214	47,264	41,821	42,821	2,393	4,443	
8	,, October 1956 to 22 Oct. 1956	2,393	4,443	1,315	1,315	3,708	5,758	2,271	1,091	1,437	4,667	
				3,23,559	3,24,959	...	...	3,22,122	3,20,292	1,437	4,667	

Checked. This is as per accounts. Differences are being traced and regularised.

(Sd.) A. V. SIVAGNANAM,
Store-Keeper.

STATEMENT No. 3.

Indents pertaining earlier to 22nd October 1956 but **not entered** *in the Issue Register—produced at the time of counting.*

Sl. No.	Indent No.	Date of issue as stated in the indent by the Store Keeper	Name of Supervisor	No. of Bags
			Sriyuths—	
1	629	10th October 1956 ...	Prasad ...	50
2	39	11th October 1956 ...	Sridhar ...	25
3	631	11th October 1956 ...	Prasad ...	50
4	505	12th October 1956 ...	Mohamed Ali ...	5
5	207	15th October 1956 ...	Balakrishna ...	25
6	76	16th October 1956 ...	D. S. R. Gupta ...	50
7	632	17th October 1956 ...	Prasad ..	200
8	507	18th October 1956 ...	Mohamed Ali ...	5
9	Requisition 2910/56	6th September 1955...	Boriah Basaviah ..	100
10	201	8th October 1956 ...	Balakrishna ...	50
11	94	9th October 1956 ...	Honnurappa ...	100
12	70	15th October 1956 ...	Ugrappa ...	50
13	73	17th October 1956 ...	Ugrappa ...	10
14	452	17th October 1956 ...	Channaveerappa ...	40
15	81	19th October 1956 ...	D.S.R. Gupta ...	100
16	74	20th October 1956 ...	Ugrappa ...	20
17	96	20th October 1956 ...	Honnurappa .	100
18	191	20th October 1956 ...	R. Vasudeva Chetty ...	25
19	638	19th October 1956 ...	Prasad ...	50
20	639	20th October 1956 ...	Prasad ...	100
21	212	20th October 1956 ...	Balakrishna ...	25
			Total ...	1,180

Document No. 11

Shown to Witness No. 19 on 27th November 1956 and referred to in his evidence in para 14 today.

(Sd.) P. P. DEO,
Chairman,
28-11-1956.

Verification of receipt of Steel Sections in Vidhana Soudha Division.

During verification of receipts of steel sections in the Vidhana Soudha Division, it was observed that in support of many receipts the original invoices of supplying firm or office were not forthcoming for verification. A statement of such instances is enclosed for kind perusal. (Appendix I).

Invoice No. 237, dated 25th March 1954.—It is seen that this Invoice received from P.W.D. Central Stores among other sizes consists of the following quantities:—

M. S. Rods.—

(1) $\frac{3}{4}''\times 48'$	...	...	60 rods.
(2) $\frac{3}{8}''\times 20'$	...	...	60 bundles.
(3) $\frac{3}{8}''$ of different sizes		...	170 bundles.
(4) $\frac{1}{2}''\times 14'$	...	...	400 rods.

The first three items have been taken to Receipt Register on 25th March 1954 on page 8. The 4th item pertaining to $\frac{1}{2}''$ rods has been omitted presumably due to oversight and is seen to have been entered on the 9th page in different ink above the item 240 and after the item 238. This quantity is not taken to monthly abstract of Receipts and has consequently been omitted in the monthly accounts. Such interpolation in the Receipt Register after sending the accounts is a very serious thing inasmuch as such quantities need not have to be accounted for by the Store Keeper at any time unless some one finds it out.

The most difficult task in the verification of the receipts was the reconciliation of the invoices with the entries made in the Receipt Register. The Invoice Numbers are not noted in the Receipt Register. When the Invoices are in tons, the entries in the Receipt Register are in numbers. The accounts of entire quantity of steel had to be extracted in number as entered in the Receipt Register and then converted into tons. This reconciliation has taken much of the time of the staff.

The total quantity of steel shown as received in the Receipt Register is Tons 4457—19—0—16 and issues as per Issue Register is Tons. 4159—15—3—19. Out of this issue, Tons 288—13—1—16 have been issued to A.G.'s Office and the balance of Tons 3,871—2—2—3 is stated to have been issued to Vidhana Soudha Works and other Divisions. The closing balance of steel is Tons 298—3—0—25. This has not been verified since the Special Engineer stated that this would take a long time. This explanation cannot be accepted. The Special Engineer should be directed to arrange immediately for the counting of stores.

Issues.—It was observed that during April 1953 and May 1953, a quantity of 429 rods of $\frac{5}{8}''\times 18'$ have been issued to the building work to Sri P.V. Somasekhara (4+425). But as per the Issue Register for May 1953 the issue of this item was seen to be 200 only. The subordinate has taken to his account only 200 rods. What has happened to the balance has to be explained.

Indent No. 7.	$\frac{3}{8}''\times 14'$ B. 4=84 rods	P. V. Somasekhar.
Indent No. 72.	$\frac{3}{8}''\times 14'$ B. 4=84 rods	Vasudeva Chetty.
	168 rods	

The Issue Register shows an issue of 72 rods against 168 rods. The subordinates have, however, taken the quantity as above in bundles. How the actual issues could have been more than that entered in the Issue Register is not clear.

July 1953—Indent No. 105—194, dated 22nd April 1953 : Coil of 70 lbs :— This quantity is not shown in the Issue Register. The subordinate Sri Vasudeva Chetty has taken this to his account.

August 1953—Indent No. 63—27, dated 10th August 1953: Sri Vasudeva Chetty: 5/8" × 5'=60 rods. The indent is for 16 rods but the issue is shown as 60. The subordinate's account shows a receipt of 16 rods only.

November 1953—Indent No. 81—28, dated 9th November 1953 : Sri P. V. Somasekhar. $\frac{3}{8}'' \times 14' = 5$ bundles. This is not shown as issue but the subordinate has taken it to his account.

Indent No. 238—96, dated 24th November 1953—$1\frac{1}{4} \times 36 = 50$. This is not shown as issue. The subordinate has taken it to his account.

Indent No. 104—51, dated 10th March 1954. (Sri P. V. Somasekhar) $1\frac{1}{8}'' \times 36 = 253$. The issue is shown as 268 which is incorrect as verified from the subordinate's account who has taken 253 rods only.

April 1954—Indent No. 81—2, dated 5th April 1954, Sri Prasad—$1\frac{1}{4}'' \times 48' = 95$. The indent is approved for 40 rods against which 95 rods are shown as issued in Issue Register. The subordinate has taken to his account only 40 rods.

Indent No. 188—88, dated 16th July 1954, from Sri P. V. Somasekhar, Supervisor, for issue of 40 tons of $\frac{1}{2}'' \times 36'$ M.S. Rods.

The relative indent was not forthcoming in the bundle of July 1954, but was found in the bundle for September 1955. In the issue register for July 1954, only an issue of 40 rods weighing Tons 0-8-2-10 is shown as issued. The subordinate has taken to his account a quantity of Tons 22-1-3-2 on 3rd July 1954. The Issue Register for September 1955 (fourteen months later) shows (quoting this indent) the following entries :—

M.S. Rods of	$\frac{1}{2}'' \times 38' \times$	310	=	Tons 3-10-1-1
,,	$\frac{1}{2}'' \times 36' \times$	601	=	,, 6-8-3-25
,,	$\frac{1}{2}'' \times 48' \times$	300	=	,, 4-5-3-15
,,	$\frac{1}{2}'' \times 18' \times$	1541	=	,, 8-7-0-25
		2752 rods of different sizes.		Tons 22-11-0-8

In all therefore, against the same indent for 40 tons the following quantities have been issued as shown in the Issue Register :—

July 1954	...	Tons 0-8-2-10
September 1955	...	,, 22-11-0-8
		Tons 22-19-2-18

As verified from the subordinate's account, he has acknowledged only Tons 22-1-3-2 in July 1954. The subordinate has still to account for the balance.

Apparently against an indent of 40 tons, 40 rods were entered in the I.R. as issued while actually 22 tons 11 cwt. and 8 lbs. were issued. This mistake appears to have been noticed 14 months later when the issue was entered forgetting the earlier entry of 40 rods made in July 1954. This shows clearly that the Issue Register was hopelessly maintained and stocks were not being checked or counted.

October 1954 Indent No. 42—665, dated 30th September 1954, Sri Balakrishna. $1'' \times 36' = 200$. The indent is approved for 71 rods but 200 are shown as issued. The subordinate has taken to his account 71 rods only. What happened to the excess shown as issues, is not clear.

Indent No. 100—188, dated 4th February 1955, Sri P. V. Somasekhar, $\frac{3}{8}'' \times 18'$. This indent is for tons 8-12-2-25 and as against this, 115 bundles weighing tons 5-15-0-0 are shown as issue. As verified from the subordinate's account tons 8-12-2-25 are taken to his account. There is thus a large discrepancy between the materials at site account and the issue shown. How the subordinate could take eight and odd tons as receipt when only $5\frac{3}{4}$ tons were issued, is not clear.

March 1955 (i) No. 66—194, dated 3rd March 1955, Sri P. V. Somasekhar
$5/8'' \times 36' = 114$.

(ii) No. 64—193, dated 4th March 1955, Sri P. V. Somasekhar
$1—1/8'' \times 40' = 75$
$1—1/8'' \times 48' = 108$
$1—1/8'' \times 36' = 107$

As verified from the subordinate's account, items (i) and (ii) have been accounted for by him in the month of February 1955 while the issue is shown in March in the Issue Register. Secondly, M. S. Section $1—1/8'' \times 40' = 75$ (*vide* item ii) does not find an entry in the account rendered to A.G. as verified from the abstract of issues. There is thus an omission in the abstract of issues and consequently in the monthly accounts.

May 1955 : Indent No. 369—270, dated 24th May 1955 : Issued to Sri Mohamed Ali $\frac{1}{2}'' \times 36'' = 5$. This is not shown as issue.

August 195 : Against Indent No. 226—229, the following are shown as issues:—

(1) $\frac{1}{2}''\times 35'=300$ Sri Channaveerappa (Actuallyissued to A.G.'s Office but shown against Channaveerappa for R.C.C. work and this is written back only in October 1956. The amount is recoverable from the contractor and thus had been completely lost sight of.

(2) $\frac{1}{4}''\times 36'=15$ Sri Veerappa. (A.G.'s Office)

(3) $\frac{3}{8}''\times 36'=15$.

(4) $\frac{1}{4}=1{,}050$ lbs. (A.G.'s Office)

All the four items are actually issued to A.G.'s Office during August 1955. Only items (2) and (4) were shown against A.G.'s Office in August 1955.

Item 3 has not been shown as issued in the Issue Register and this is only taken to account during October 1956.

In the bundle of indents for December 1955, Indent No. 461—262, dated 23rd September 1955 of Sri P. V. Somasekhar is found. Although the issues were made in September 1955 they are shown in the Register only in December 1955

$\frac{1}{2}\times 36=230$
$\frac{3}{4}\times 36=966$ } The indent is complied with during 9/55 but shown as
$1\frac{1}{4}\times 30=400$ issue during 12/55.

In other words 48 tons of M.S. rounds issued to the Supervisor in September 1955 is accounted for 3 months later, the omission being in the half-yearly accounting period.

Indent No. 546, dated 20th February 1956 for the issue of M.S. Rods, $\frac{5}{8}''\times 36'=500$.

The issue of 500 M.S. Rods against the above indent made in February 1956 was wrongly noted in the I.R. as 500' of 1" G.I. Pipes. Accordingly the abstract of stock issues was prepared and monthly accounts sent to A.G. wrongly. During March 1956, this mistake seems to have been noticed and an issue of 500 M.S. Rods is shown in the I.R. for March 1956. But the issue of 500' of G.I. Pipes wrongly shown in February 1956 is still remaining unrectified.

It is also observed that the Issue Register for February 1956 bears the correction from G.I. Pipes to M.S. Rods after sending the monthly accounts. No correction should be made after monthly accounts are sent to A.G.

August 1956.—Indent No. 207/236, dated 15th November 1954 and 118/236, dated 13th November 1954 for 10 tons of 3/8" M. S. rods : Quoting the Indents of November 1954, an entry in the Issue Register during 8/56 is made for issue of 8—14—2—5 tons of 3/8" M. S. rods. A note from the Store-Keeper is kept in the bundle of Indents for 8/56—this note states that only 200 rods were charged off during November 1954 inadvertently and that the balance is now adjusted. But as verified from the Issue Register for November 1954 it is seen that the full quantity of 200 bundles (*i.e.*, 10 tons) is charged off and also accounted for by the subordinate during November 1954 alone duly adjusting the cost in accounts. How therefore this issue of tons 8—14—2—5 could be the balance for adjusting during August 1956 again is not clear. As verified from the subordinate's account this quantity, *viz.*, 8—14—2—5 is not taken to his account during August 1956.

June 1956.—Indent No. 439, dated 8th March 1956 : =100. The indent is corrected from 100 to 50 without attestation but still the issue is shown as 100 rods in the Issue Register. As verified from the subordinate's account only 50 rods are taken as receipt. Why therefore an excess of 50 rods is shown as issue is not clear.

February 1955.—Indent No. 243/171, dated 6th December 1954: 200 bundles of M. S. Rods. 200 bundles of 10 tons of 3/8" M. S. Rounds issued to Sri P. V. Somasekhar, Supervisor during December 1954 is not shown in the Issue Register. It is seen that an entry is made in the Issue Register on 6th December 1954 and struck off. Another item of iron noted in the same Indent is taken to Issue Register during February 1955. But this item of 3/8" of 200 bundles is entirely omitted. The subordinate has accounted for in his materials at site account during December 1954.

Regarding the issue of steel, the excess or shortage as seen from the Issue Register and as verified from the indents and subordinate's accounts, a statement is prepared and put up, for which the Special Engineer has to account for.

The issue of steel is in much confusion as seen from the entries made in the issue register and corresponding indents, *i.e.*, lot of corrections are made in all these indents. A few such corrected indents were verified with reference to the material at site account of the concerned subordinates and incorporated in the note. In view of the serious omissions and corrections made in the issue and receipt registers, the exact book balance cannot be arrived at. Hence it is suggested that the entire account of steel should be audited and correct position of the steel account should be established.

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Enclosure to Document No. 11.

Statement of Steel Sections in respect of which original invoices are not forthcoming for verification in Vidhana Soudha Division.

APPENDIX I.

Month	Invoice No.	Office of Supply	Details of M.S. Sections	Quantity
1	2	3	4	5
February 1954	87	Controller of Central Stores	$\frac{1}{8}''\times36'$	640
Do ...	97	Do ...	$\frac{1}{8}''\times36'$	236
Do ...	97	Do ...	$\frac{1}{2}''$	2-3-0-0
March 1954 ...	184	Do ...	$\frac{3}{4}''\times40'$	560
Do ...	106	Do ...	$\frac{5}{8}''\times20'$	215
			$\frac{1}{2}''\times18'$	20 bundles
May 1954 ...	974	Do ...	$\frac{1}{2}''$	4-14-8-0
Do ...	974	Do ...	$\frac{3}{8}''$	540
Do ...	1047	Do ...	$\frac{3}{4}''$	0-0-0-27
Do ...	1047	Do ...	$\frac{7}{8}''$	0-1-3-14
Do ...	1047	Do ...	$\frac{5}{8}''$	284
			$\frac{1}{2}''$	450
August 1954 ...	87	Do ...	$1''\times18'$	394
Do ...	92	Do ...	$1''\times36'$	100
Do ...	100	Do ...	$1''\times36'$	140
Do ...	101	Do ...	$\frac{3}{4}''\times40'$	250
Do ...	124	Do ...	$\frac{3}{4}''\times40'$	100
September 1954	83	Do ...	$\frac{1}{2}''\times36'$	510
			$\frac{1}{2}''\times36'$	250
Do ...	88	Do ...	$1\frac{1}{4}''\times48'$	185
Do ...	90	Do ...	$1\frac{1}{4}''\times48'$	41
Do ...	94	Do ...	$\frac{1}{2}''\times36'$	715
Do ...	94	Do ...	$\frac{5}{8}''\times48'$	180
Do ...	94	Do ...	$1\frac{1}{4}''\times48'$	56
Do ...	79	Do ...	$1''\times18'$	280
October 1954 ...	40	Do ...	$1\frac{1}{8}''\times36'$	30
Do ...	42	Do ...	$1\frac{1}{8}''\times36'$	60
Do ...	59	Do ...	$1\frac{1}{8}''\times36'$	180
Do ...	65	Do ...	$1\frac{1}{8}''\times36'$	120
Do ...	68	Do ...	$1\frac{1}{8}''\times36'$	37
Do ...	72	Do ...	$\frac{3}{4}''\times36'$	40
November 1954	70	Do ...	$1\frac{1}{4}''\times36'$	80
Do ...	99	Do ...	$\frac{3}{4}''\times36'$	200
Do ...	10	Do ...	$1\frac{1}{8}''\times36'$	180
Do ...	14	Do ...	$1''\times36'$	150
Do ...	64	City Improvement Trust Board.	$\frac{1}{2}''\times18'$	240
Do ...	69	Do ...	$\frac{1}{2}''\times18'$	53
Do ...	69	Do ...	$\frac{5}{8}''\times18'$	800
Do ...	70	Controller of Central Stores	$1\frac{1}{4}''\times36'$	80
Do ...	85	City Improvement Trust Board.	$\frac{5}{8}''\times18'$	360
Do ...	85	Do ...	$\frac{1}{2}''\times18'$	460

APPENDIX I—*concld.*

Month	Invoice No.	Office of Supply	Details of M.S. Sections	Quantity
1	2	3	4	5
May 1955 ...	55	Controller of Central Stores	$\frac{1}{2}$"×48'	1750
June 1955 ...	188	Mysore Iron and Steel Works, Bhadravathi.	$\frac{3}{8}$"×36'	501
Do ...	190	Do ...	$\frac{3}{8}$"×36'	505
Do ...	191	Do ...	$\frac{5}{8}$"×48'	990
October 1955 ...	76	Do ...	1"×36'	233
Do ...	76	Do ...	$\frac{7}{8}$"×36'	434
Do ...	192	Do ...	$1\frac{1}{4}$"×48'	281
Do ...	193	Do ...	$1\frac{1}{4}$"×48'	242
Do ...	194	Do ...	$1\frac{1}{4}$"×36'	460
Do ...	195	Do ...	$1\frac{1}{4}$"×48'	324
Do ...	196	Do ...	$1\frac{1}{4}$"×36'	460
Do ...	8	Do ...	$1\frac{1}{4}$"×48'	68
Do ...	8	Do ...	$\frac{7}{8}$"×36'	580
Do ...	50	Do ...	$1\frac{1}{8}$"×48'	138
Do ...	50	Do ...	$1\frac{1}{4}$"×48'	130
Do ...	69	Do ...	$1\frac{1}{4}$"×48'	152
Do ...	69	Do ...	$1\frac{1}{4}$"×48'	118
January 1956 ...	146	Do ...	$\frac{7}{8}$"×36'	732
July 1956 ...	47	Buildings Division, Bangalore.	1"×36'	40
Do ...	166	Do ...	1"×36'	30
Do ...	58	Do ...	1"×36'	70
Do ...	157	Mysore Iron and Steel Works, Bhadravathi.	1"×48'	191
September 1956	64	Buildings Division, Bangalore.	$1\frac{1}{8}$"×48'	30
Do ...	72	Do ...	$1\frac{1}{8}$"×48'	20
Do ...	76	Do ...	$1\frac{1}{8}$"×48'	17
August 1956 ...	42	Mysore Iron and Steel Works, Bhadravathi.	$\frac{7}{8}$"×36'	730
	61	Do ...	$\frac{7}{8}$"×36'	365
	9	Do ...	$1\frac{1}{8}$"×36'	152
			$1\frac{1}{8}$"×40'	218
			$1\frac{1}{8}$"×48'	42

Document No. 12.

Statement showing the differences in issues of steel as shown in the stock Issue Register as compared with the Materials at site account of the Subordinates.

Serial No.	Month	Indent No.	Issues as per Issue Register No. of rods	As received by the Supervisor	Difference		Remarks
					Issues shown more in the Issue Register	Less	
1	4/53 & 5/53	.....	$\frac{5}{8}$″×18′×429 ...	200 rods Sri P. V. Somasekar.	229/Cwt. 38–1–15 ...	.....	...
2	8/53 ...	63/27, d. 10-8-53.	$\frac{5}{8}$″×5′×60 ...	16 rods Sri B. V. Chetty	44/Cwt. 2–0–6 ...	.....	...
3	3/54 ...	98/51, d. 10-3-54.	$1\frac{1}{8}$″×36′×268 ...	253 rods Sri P. V. Somasekar.	15/Cwt. 16–1–5 ...	.....	...
4	4/54 ...	81/2 ...	$1\frac{1}{4}$″×48′×95 ...	40 rods Sri Prasad ...	55/Cwt. 98–0–8 ...	.....	...
5	7/54 & 8/55	188/88 ...	0—8—2—10 22—11—0—8 } ...	Tons 22—1—3—2 Sri P. V. Somasekar.	Cwt. 8–2–10 ...	.....	(*a*)
6	10/54 ...	42, d. 30-9-54	1″×36′×200 ...	71 rods Sri Balakrishua	129/Cwts. 110–2–25 ...	.....	...
7	2/55 ...	.....	.....	$\frac{3}{8}$″×36′×10 tons Sri P. V. Somasekar.	.....	10 tons ...	(*b*)
8	3/55 ...	.. ...	$1\frac{1}{8}$″×40′×75 ...	...	.....	... ..	(*c*)
9	5/55 ...	.....	.....	$\frac{1}{2}$″×36′×5 Sri Mohamed Ali.	.....	5/Cwt. 0–1–0–8 ...	...

(*a*) As against 40 tons indented in July 1954, M.S. rods of various categories were issued in July 1954 to the extent of Tons 22—11—0—8. But the issue in the I.R. shows only 40 rods weighing 0—8—2—10 and accordingly charged in the monthly accounts. The error is noticed in September 1955 (one year two months later) and the issue to the extent of T. 22—11—0—8 is shown in the I.R. Thus the original entry made in July 1954 is an extra one. The subordinate has accounted for only T. 22—1—3—2 and hence he has to account for the balance quantity *viz.*, 0—9—1—6.

(*b*) The issue of these 10 tons to the subordinate is omitted in the I.R. (*c*) Not taken to monthly account of stock issues.

Document No. 12.—*concld.*

Serial No.	Month	Indent No.	Issues as per Issue Register	As received by the Supervisor	Difference		Remarks
					Issues shown more in the Issue Register	Less	
10	8/55 ...	229, d. 17-6-55	$1\frac{1}{2}$″×36′×15 ...	A.G.'s Office	.....	$\frac{1}{2}$″×36′×300	(*d*)
			$\frac{1}{4}$″ coils ... 10 ...	$\frac{1}{2}$″×36′×300		$\frac{3}{8}$″×36′×15 Bundles.	
				$1\frac{1}{4}$″×36′×15		(not taken to the totals.)	
				$\frac{3}{8}$″×36′×15 Bundles.			
				$\frac{1}{4}$″ coils. 1,050 lbs.			
11	12/55 ...	About 48 tons of M.S. Rounds issued to Sri P. V. Somasekhar, Supervisor, in September 1955 is accounted for during December 1955 three months later.					
12	2/56 ...	546, d. 20-2-56	500′ of 1″ G.I. Pipes...	.....	500′ of 1″ G.I. Pipes.	.....	...
13	6/56 ...	439, d. 8-3-56	$1\frac{1}{4}$″×48′×100 ...	$1\frac{1}{4}$″×48′×100 ...	50 rods 4–9–1–18 ...	.....	(*e*)
14	8/56 ...	.....	T. 8—14—2—5 ...	.....	T. 8–14–2–5 ...	.....	(*f*)
				Cost is about Rs. 15,000	T.26–18–0–8	T. 10–1–0–8	
				+Rs. 550	and		
				Total Rs. 15,550.	500′ 1″ G.I. Pipe	cost is about Rs. 5,600	

(*d*) It is seen that 300 rods of $\frac{1}{2}$″ and 15 bundles of $\frac{3}{8}$″ issued to A.G.'s office in 8/55 along with other sizes are omitted in the account of M/s. Kempiah & Sons. These 300 rods have been shown as issued to Sri Channaveerappa, Supervisor wrongly. During October 1956 there is a write-back from Channaveerappa's account to A.G.'s Office. The $\frac{3}{8}$ rods are also shown as issued in the month of October 1956 (*Vide* pages 33 and 35 of I.R.)

(*e*) There is an excess of 50 rods in the I.R.

(*f*) Quoting an indent pertaining to 11/54, this issue is shown during 8/56. It is verified that the indent referred to has been fully accounted for already during 11/54.

Shown to the Witness No. 19 on 27th November 1956 and referred to in his evidence (Para 14) today.

(Sd.) P. P. DEO,
Chairman, 28-11-1956.

Document No. 13

Cement Loan Account. (*Account showing the Return of Loan from M/s. Kempiah & Sons*).

Serial No.	Date as noted on page 341 of the Private Ledger 1	No. of Bags as Returned 2	Date of Return as shown in the Ledger on the respective dates 3	Remarks
	15th/16th April 1954 ...	400 ...	.....	.....
	17th April 1954 ...	185 ...	Shown on 17th May 1954 .	First 3 Cols. in column 3 Register in different ink. From "A.G." in Column 4 appears to be an addition.
	18th April 1954 ..	235 ...	,, 18th May 1954 ..	First 3 Columns in Column 3 Register in different Ink and Endorsement of Sri Muniappa on page 12 of Column 3 Register "Checked and found the Balance correct", dated 17th May 1956.
	21st May 1954 ...	100 ...	,, 21st May 1954 ...	First 3 columns in column 3 Register in different Ink.
	4th July 1954 ...	550 ...	,, 4th July 1954 ..	Do
	1st August 1954 ...	200 ..	,, 1st August 1954	.....
	13th September 1954	400 ...	Shown on 13th September 1954.	.....
	30th September 1954 ...	150 ...	Shown on 30th September 1954.	"A.G.'s Office." In different ink.
	November 1954 ...	580 ...	570 on 14th November 1954	Difference of 10
	28th April 1955 ...	170 ...	28th April 1955 ...	.....
	22nd May 1955 ...	300 ...	22nd May 1955 ...	The total of Receipt Register is 1160 and the total in the "Private Ledger" is 1460. Therefore, this may be taken as entered on that day. No reference to A.G.'s Office.
	8th June 1955 ...	580 ...	8th June 1955 ...	.....

It is seen that except the 1st item of 400 bags and 10 bags out of 580 shown in November 1954, others are noted as received from A.G.'s Office.

The Regular Receipt Registers on these dates have been verified and found that the entries pertaining to the alleged loan account in the Private Ledger are not entered in that Register. The entries in the Private Ledger regarding "A.G.'s Office" cannot be attributed to receipts from other sources.

Shown to the witness yesterday and referred to in para 15 of his deposition today.

(Sd.) P. P. DEO,
Chairman,
28-11-1956.

Document No. 14.

Cement Loan Account of M/s. Kempiah & Sons. (Issues)

Sl. No.	As noted on	Page No. 340	As shown in the private Ledger from printed pages 10 to 27		As shown in the Issue Register		Remarks
	Date	No. of Bags. issues	Pertaining to issues to A.G.'s. Office (A)	Total issues Noted (B)	Pertaining to issues to A.G.'s Office (A)	Total issues as Noted (B)	
1	8th March 1954 ...	150	...	200	...	Nil.	
2	15th March 1954 ...	150	...	200	...	200	
3	20th March 1954 ...	200	...	Nil.	...	300	
4	12th April 1954 and 15th April 1954 ...	400	12-4-1954 200 13-4-1954 200 15-4-1954 200	12-4-1954 200 14-4-1954 200 15-4-1954 200	12-4-1954 200 14-4-1954 200 15-4-1954 ...	12-4-1954 400 14-4-1954 200 15-4-1954 100	
5	30th April 1954 ...	300	300	400	...	300	
6	26th June 1954 ...	200	200	200	200	400	
7	30th June 1954 ...	300	300	500	300	500	
8	13th July 1954 ...	200	...	600	200	800	
9	30th July 1954 ...	100	...	450	...	250	
10	31st July 1954 ...	100	...	1000	200	1100	
11	7th September 1954...	200	...	700	200	500	
12	12th September 1954.	200	Nil.	Nil.	200	220	
13	3rd October 1954 ...	200.	200	200	Nil.	Nil.	
14	6th November 1954 ...	300	...	775	300	775	
15	31st December 1954...	200	...	500	200	700	
16	5th January 1955 ...	300	...	200	...	400	
17	11th January 1955 ..	100	...	400	100	400	
18	15th January 1955 ...	150	...	200	...	100	
19	13th May 1955 ...	100	...	450	...	616	

NOTE.—Column : 4 :—*Private Ledger* :—(A) Issued to A.G.'s Office. (B) Total Issues.
Column : 5 —*Issue Register* :—(A) Issues to A.G.'s Office. (B) Total Issues.

Shown to the witness yesterday and referred to in para 15 of his deposition today.

(Sd.) P. P. DEO,
Chairman,
28-11-1956.

Document No. 15

Arithmetical Errors in the "Private Ledger".

.....	Figures exhibited	As it should have been	More	Less
1. Page 25, (here one sheet is seen to have been torn off).	1510	1519	...	9
2. Page 33	4851	4651	200	...
3. Page 34	9488	9374	114	...
4. Page 41	1160	1166	...	6
5. Page 45	2093	3093	...	1000
Total ...	...	...	314	1,015
Net ...	...	...	...	701
Closing balance shown on 22nd October 1956—1447.	...	...	...	...
Even as per this register, this should have been 1447+701=2148.	...	...	...	...

Shown to the witness yesterday and referred to in para 15 of his deposition today.

(Sd.) P. P. DEO,
Chairman,
28-11-1956.

WD—1413—GPB—500—27-1-57.